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NOMINATION—DOT

HEARING

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

NINETY-EIGHTH CONGRESS

FIRST SESSION

ON

NOMINATION OF

ELIZABETH H. DOLE, TO BE SECRETARY,
DEPARTMENT OF TRANSPORTATION

JANUARY 26, 1983

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NOMINATION—DEPARTMENT OF TRANSPORTATION

WEDNESDAY, JANUARY 26, 1983

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m. in room SR 253, Russell Senate Office Building, Hon. Bob Packwood (chairman) presiding.

Staff members assigned to the hearing: Anne G. Cantrel, staff director and Linda J. Morgan, minority staff counsel.

OPENING STATEMENT BY THE CHAIRMAN

The CHAIRMAN. The committee will come to order, please.

We are here this morning for the hearing on Elizabeth Dole as the nominee for Secretary of Transportation. Elizabeth and I have known each other for at least a decade and have been good friends for a fair portion of that time, so I can vouch for her ability and her integrity.

I will say this, Elizabeth, you are following in the footsteps of one of the most extraordinary people I have ever met in government, man or woman, legislative or executive branch, in Drew Lewis. I have very seldom ever worked with anybody as able as he is. It is a gigantic role to fill, but of all the people that the President could have picked to follow in his stead, he could not have picked, in my mind, any one better than you. We are delighted to have you with us today.

Mrs. Dole. Thank you.

The CHAIRMAN. Senator Hollings, do you have any statement before we call on the introducers?

Senator HOLLINGS. Let me welcome Mrs. Dole.

Mrs. Dole, I am heartened by your nomination for Transportation Secretary. Given your active service in the Federal Government, I know you share my view that DOT has an important responsibility for overseeing critical segments of our Nation's economy. At a time when repeated atttempts are being made to eliminate the Federal role, I would hope that if confirmed you will insure that the Department maintains an active role in setting transportation policy.

I am particularly concerned about the economic condition of the various transportation modes. With the continued weakening of the airlines, bankruptcies in the trucking industry, and layoffs in the rail industry, we must continue to search for ways in which the Federal Government can insure a stronger transportation sector.

With the weakened economy, debate continues over the impact of economic deregulation of these industries. As you know, I have raised questions about the appropriateness of deregulation under certain circumstances. I continue to have concerns and will work to retain the Federal regulatory role appropriate to insure that the transportation needs of the public are met.

There are, of course, many specific transportation issues of concern which I cannot fully pursue today—Coast Guard, reconstruction of the air traffic controllers system, transportation safety, and maritime reform, to name a few. I look forward to working with you in formulating Federal policy on these issues.

I, as we all have in Washington, have known you for your outstanding capabilities. We really welcome you to this new task as a Secretary, and I look forward to working with you.

Mrs. DOLE. Thank you, sir.

The CHAIRMAN. Senator Lautenberg, any statement?

OPENING STATEMENT BY SENATOR LAUTENBERG

Senator LAUTENBERG. Just briefly, if I may, Mr. Chairman.

Mrs. Dole, we met the other day, and I enjoyed our chance to chat. I would like to say at the outset that I fully expect to vote for your confirmation as I suspect my colleagues will. The President has nominated a person who has demonstrated impressive ability to take on difficult tasks and to manage them well, and I am sure you will soon have the job of Transportation Secretary firmly in hand.

I am sure there will be issues about which we will perhaps disagree, but I believe and hope that we will be able to talk them over and that on many other matters we will be able to work together. I am looking forward to that.

There are two points I would like to raise with you now. As you know, I represent New Jersey and in many respects we mirror the problems of the whole Northeast. For example, road building is more expensive because of population densities, high land values, and the traffic volumes that require diversion when work is in progress. Roads are more expensive to maintain because of swings in the climate.

I know when the important things have to be taken care of and I am willing to wait.

Our mass transit and commuter lines are some of the oldest in the Nation and the most heavily used. Six hundred thousand New Jerseyites ride public mass transit to and from work each day, which is why I was concerned to read in your response to the minority questions that you have reservations about operating assistance. Without it, fares would rise even more substantially than they have, and riders would be pushed more into cars and overcrowded highways.

The gas tax legislation that just became law authorized continuing mass transit operating subsidies, though at a level 20 percent less than last year. I would like to know if you can give me some encouragement that you will not seek further cuts in operating assistance to mass transit?

The CHAIRMAN. Senator, I wonder if we might do this. We will have ample time to question her after she gives her statement, but I would like the other Senators who are here to get a chance to make their introductory comments as some of them may have to leave. We will have ample time to ask her questions.

Senator LAUTENBERG. All right. Well, I am almost finished, or would you prefer that I just wait now?

The CHAIRMAN. I would prefer that you wait as I assume you want an answer from her.

Senator LAUTENBERG. No. I just want to get this on the record if I might. I am not going to look for an answer.

The CHAIRMAN. All right. Go ahead and finish.

Senator LAUTENBERG. If I may pose one more concern. You stated that you plan to be deeply involved in departmental efforts to sell Conrail because Conrail is the principal freight railroad in the Northeast, including New Jersey.

It is an issue I also plan to watch closely. You have endorsed aggressive efforts to sell Conrail, but I would also like you to think about the principal concern that Conrail be sold as a unified entity to insure the most orderly freight service for the regional economy.

I wish you success in this new responsibility, which I assume will be yours shortly, and I look forward to working with you in the years ahead to solve some of the critical problems of my State and our Nation.

Thank you very much.

The CHAIRMAN. Thank you.

Senator Trible.

OPENING STATEMENT BY SENATOR TRIBLE

Senator TRIBLE. Thank you, Mr. Chairman.

May I join in welcoming you here today and express my great pleasure that you will soon serve this administration and our country.

After hearing the accolades for your predecessor, and well deserved I might add, I sense you might feel like the person who sought to replace Babe Ruth in right field for the New York Yankees. But I want you to know that fellow, whose name was George Selker, hit about 300 over his lifetime. I suspect that you will fill those shoes and demonstrate the rare ability to get results that you have shown so far.

So we welcome you and look forward to working with you. I, too, have thoughts and concerns that I would like to share with you but will reserve those until later in the session.

The CHAIRMAN. Senator Long.

Senator LONG. Let me just say that I am happy to see Elizabeth Dole here. I know you are going to do a fine job for us. I hope that in this job you will still find time to communicate with your husband, Mrs. Dole.

No questions.

The CHAIRMAN. We have four Senators here this morning who want to share in the introduction of Mrs. Dole. I think we will start with Senator Kassebaum and then Senator Dole, Senator Helms, and Senator East.

Nancy.

STATEMENT OF HON. NANCY LANDON KASSEBAUM, U.S. SENATOR FROM KANSAS

Senator **Kassebaum**. Thank you very much, Mr. Chairman.

It is a great honor for me to be able to join with my senior Senator in introducing Elizabeth Dole.

As a member of the Commerce Committee as well, I am looking forward with great pleasure to working with her in some of the very important transportation issues that confront us.

But more importantly, Elizabeth, I would just like to say that I hope you will feel that the Kansas Senators don't use undue pressure when matters of particular interest which we share come before us. I promise you that we will do our best to keep from exercising too coordinated an effort in that regard.

Mrs. **Dole**. All right. Thank you.

Senator **Kassebaum**. Thank you very much, and it is with great pleasure and pride that I am here this morning to welcome you.

Mrs. **Dole**. Thank you.

The **Chairman**. Next Senator Dole. Have you filed your conflict-of-interest statement?

STATEMENT OF HON. ROBERT J. DOLE, U.S. SENATOR FROM KANSAS

Senator **Dole**. No conflict, but there is a lot of interest.

I am reminded at the outset of a story told about an alderman from the Bronx who wants to ride in an open car beside President Roosevelt during a campaign tour of Fifth Avenue. The onlookers were cheering loudly and the alderman practically begged the President to tell the driver to slow down. F.D.R. assured him that everything was all right. As he put it: "They all knew who I am." "I know," replied the alderman, "but I would like to give them a chance to see who is riding with you." That is sort of how I feel here this morning with Elizabeth.

I would just add I have known the nominee for about 10 years.

I feel a little bit like Nathan Hale that I regret that I have but one wife to give to my country's infrastructure.

But in any event, TV dinners are a small price to pay for rebuilt highways.

Besides, she has promised to slow down the next time we go through New York.

I know she is well qualified and I plan to vote for her.

The **Chairman**. Senator Helms.

STATEMENT OF HON. JESSE HELMS, U.S. SENATOR FROM NORTH CAROLINA

Senator **Helms**. Mr. Chairman, how do you follow an act like that?

Mr. Chairman and distinguished members of this committee, North Carolina does a great deal of exporting of quality products, agricultural, forestry, furniture, textiles, and many others. But in the latter half of the decade of the sixties we exported to Washington, D.C., an amazingly competent, dedicated, and charming lady who has an uninterrupted career of wanting and working to make life better for the American people, and particularly those who for one reason or another may need a helping hand.

Now let me say this in all candor. Elizabeth Dole could have chosen a career that would have been enormously enriching to her in a financial way, but this lady, a Phi Beta Kappa graduate of Duke University, has always wanted to help people. How she has succeeded. She has worked for the deaf, she has defended indigents in the District of Columbia court system, she has served as Executive Director of the President's Committee on Consumer Interests, she has served as Deputy Assistant to the President for Consumer Affairs, she has served as a distinguished member of the Federal Trade Commission and on and on and on.

For this and other services Elizabeth Dole has received countless awards, including a 1974 recognition by Time Magazine as one of America's 200 faces for the future. And if I may be indulged a personal observation and if it is not too chauvinistic, what a lovely face it is.

Mr. Chairman, Mrs. Dole currently serves on the board of trustees of Duke University and the board of advisers for the Duke Business School. She is also a member of the board of directors of the National Council on Aging; the board of directors for the American Council on Young Political Leaders; the board of directors of the Wolf Trap Foundation for the Performing Arts; the National Advisory Council of the National Federation of Republican Women; and the overseers committee to visit the John F. Kennedy School of Government; and serves as a trustee of the Washington Opera.

Mr. Chairman, I have never known a more dedicated nor a more cheerful person than she. With all of her responsibilities, one of the lesser known—but to me, one of the most important—aspects of her life is her deep spiritual commitment. She is an inspiration to all who are privileged to know and associate with her.

Thus, it is a joy to present her to this committee, and to do so without any reservation whatsoever. We all will wish her well as she moves into a great opportunity for service to the American people.

I would respectfully request that the committee make a part of the official record a brief biographical sketch, and with that, I am pleased to present on behalf of the President a dear friend of all of us, a gracious and remarkable lady, the Honorable Elizabeth Hanford Dole.

Let me just say in conclusion that I have never known a more dedicated or more cheerful person than Elizabeth Dole. One of the lesser known, but to me one of the most important aspects of her life, is her deep spiritual commitment. She has certainly been an inspiration to me, and I think to all who are privileged to know and associate with her.

Thank you very much.

The **CHAIRMAN**. Thank you, Jesse.

Senator East.

STATEMENT OF HON. JOHN P. EAST, U.S. SENATOR FROM NORTH CAROLINA

Senator **East**. Mr. Chairman and members of the committee, it is a great honor to appear here this morning on behalf of Elizabeth Dole.

I suppose the Transportation Department always looks on a joint appearance of Senator Helms and myself with some trepidation—but I can assure you this morning there is going to be no effort to filibuster this fine recommendation by the administration.

It is not uncommon for distinguished people in public life such as the distinguished senior Senator from Kansas to overmarry themselves.

I think in this case it is the most glaring example that I know of where that has been done.

Senator Helms and I from North Carolina do not wish to get involved in a running fight with the State of Kansas as to who can claim this woman, this fine lady. That would be unseemly. But I would like to note for the record that Elizabeth was born and raised in the great State of North Carolina. She comes from Rowan County which I would like to note, just parenthetically, is a great Republican county in the State of North Carolina. Her mother, Mrs. Hanford, who is a gracious and distinguished lady in her own right, still lives, of course, in North Carolina.

Liddy is a graduate of Duke University, Phi Beta Kappa, not only one of the great universities of North Carolina in the Southeast, but of this country. She went on to Harvard Law School, studied in England, and came back and has been a very distinguished public servant.

So North Carolina understandably, and that is why Senator Helms and I are here, is deeply honored that this administration has chosen such a fine and distinguished lady. I wish to commend the administration for this outstanding nomination, and I join the distinguished senior Senator from Kansas in saying that I look forward to voting for her.

Thank you, Mr. Chairman.

The **Chairman**. John, thank you.

I might echo something Jesse said. Besides all of the accolades we have had about Mrs. Dole, we have today witnesses testifying in [illegible] We have received dozens of support letters and not a [illegible] letter. My hunch would be that none of the rest of us could claim that about any position to which we might be appointed.

In any event, I thank all of you and I would now like to call on our nominee, Elizabeth Dole, to see if she has any comments.

Senator **Dole**. May we leave?

The **Chairman**. You all may leave. That is up to you.

Senator **Dole**. I can't stand the sight of blood.

[The biographical sketch follows:]

Biographical Sketch of Elizabeth Hanford Dole

Born: July 29, 1936 in Salisbury, North Carolina.
Married to Robert Joseph Dole, no children.

EDUCATION

B.A. with Honors from Duke University, Durham, N.C.—1958.

Postgraduate work, Oxford University, Oxford, England—summer, 1959.

M.A. in Government Education from Harvard University, Cambridge, Mass.—1960.

J.D. from Harvard University, Cambridge, Mass. 1965.

EXPERIENCE

November 1958 to June 1959: Administrative Assistant to Librarian of Harvard Law School, Cambridge, Mass.;

June 1960 to September 1960: Legislative Secretary to Senator B. Everett Jordan, N.C.;

Summer, 1961: Interim, United Nations, New York City;

June 1961 to February 1962: Part-time model for Carol Nash Modeling Agency, Boston, Mass.;

February 1962 to May 1962: Administrative Assistant to Librarian, Harvard University Law School, Cambridge, Mass.;

June 1962 to September 1962: Part-time teacher for schools in Cambridge, Weston, Somerville and Arlington, Mass.;

July 1963 to September 1963: Personnel Office for South America, Peace Corps, Washington, D.C.;

April 1966 to August 1967: Staff Assistant to Assistant Secretary for Education at HEW;

Fall 1967 to Spring 1968: Private law practice in District of Columbia;

April 1968 to July 1969: President's Committee on Consumer Interests/ Associate Director for Legislative Affairs;

July 1969 to July 1973: Executive Director, President's Commission on Consumer Affairs, Executive Office;

July 1973 to December 1973: Deputy Director, Office of Consumer Affairs, HEW;

December 1973 to March 1979: Commissioner, Federal Trade Commission; and

January 1981 to present: Assistant to the President for Public Liaison.

STATEMENT OF ELIZABETH HANFORD DOLE

Mrs. DOLE. Thank you so much, Mr. Chairman.

I would like to make a statement. I am very pleased to have the opportunity to appear before the members of the committee this morning and it is my intention to answer your questions forthrightly and as fully as I can. I will also welcome your advice and the benefit of your counsel in dealing with the transportation issues before the Nation.

Let me say first that it has been a real privilege for me to serve the Government both in this and earlier administrations. I am honored that President Reagan has asked me to serve in his Cabinet and, if confirmed, I will make every effort to justify his faith in me and to earn the confidence and support of the American people.

Ultimately, of course, I work, as you do, for the people themselves. As assistant to the President for public liaison, I have had the occasion to meet with a great many citizens representing a variety of the Nation's interests and concerns. Working with them individually and through their organizations, I have come to value their diversity, respect their concerns and admire their perseverance and their imagination. Nor have I forgotten the insights gained as a member of the Federal Trade Commission and in the White House Office of Consumer Affairs. I learned long ago the importance of an open door and an open mind. I have no intention of closing either as a member of the Cabinet.

I am most grateful for the outstanding work Secretary Lewis has done over the past 2 years. I have the highest regard for the way he has handled a broad range of issues and tremendous admiration for his resolve and his commitment to principle. To the traveling public he has shown both commonsense and an uncommon sensitivity. I intend to follow that example. And I look forward to continuing his practice of regular consultations with congressional leaders and relevant committees. Much has begun to move on the transportation front over the last few years, and I know that you join me in a desire to maintain that momentum.

I am sure there is no need for me to bring before this very knowledgeable group of Senators a detailed list of the many important transportation issues before us. While I want to mention just a few of those issues, they in no way constitute an exhaustive list. Much has changed since the days when Will Rogers looked at America's highways and concluded that the best way to solve all our traffic problems would be to pass a law that only paid-for cars be allowed on the public roads. Today's transportation planners must worry less about whether automobiles are paid for and more about whether the roads and bridges they travel are safe and in good repair.

We must define the proper relationship of automobile traffic to public transit. We must look to the skies and move ahead with the modernization of our national airspace system. We must not neglect the rails nor ignore the opportunity to return Conrail to private sector management. We must be concerned with the need for port modernization and offshore we must take an interest in the reform of maritime regulations. We must strengthen the partnership between employees and management in the FAA.

Perhaps most important of all we must take seriously our mandate to safeguard human life. With that objective uppermost, we must be untiring in efforts to curb drunk driving, to increase the use of safety belts and child restraint systems and end the senseless slaughter of innocent lives by those who forfeit a claim to our sympathies by their own irresponsive behavior on America's highways.

Beyond this list, necessarily brief, there are a number of general principles that will guide me in the decisionmaking process. And there are several objectives that, with your support and counsel, I will make every effort to achieve.

Safety in all modes of transportation, for example, will have high priority and I will seek to intensify the Federal focus on transportation safety programs.

Administratively I believe with all possible conviction in a style of management that treats employees as partners and allies in a common cause. I view two-way communication as an absolute prerequisite to good administration. And I intend to go on listening, asking questions and thinking carefully about what I am told in response, just as I have tried to do for the last 2 years in hundreds of meetings with organized Americans of every persuasion and every perspective. In the course of these meetings I have had the opportunity to hear from agriculture, business, labor and virtually every other sector of our society and have conveyed their concerns to the highest levels of our Government. At the same time, I am keenly aware that good intentions can sometimes be scuttled by bad administration, that the Nation's Capital and its policymakers have no patent on wisdom and that there is nothing incompatible between a government that cares about people and one that cares about spending their money wisely.

With this in mind, we will search out new ways to reduce expenditures without curtailing essential services. And we will explore more ways to be more effective in motivating people.

We will continue to pursue the process of deregulation whenever it serves the best interests of the public, but we will remain sensitive to the temporary dislocations that changes in regulatory policy can cause. Especially within the Federal/State/local partnership will I see to reduce the redtape that too often frustrates ambitions and stifles creativity.

We Americans always have been a people on the move. As inventive as we are restless, our innovators and engineers have created extraordinary opportunities for commerce and the average citizen alike. Nor have we lost ouz taste for innovation or appetite for excellence. I regard these are the most exciting of times in the transportation field when concern over America's infrastructure is at last more than a passing phenomenon and when an economy in flux demands more than ever before from the transportation network. I recall the words of Winston Churchill written at a time when the old engines of progress were yielding to man's insistence on traveling further and faster than in the past.

"Victory is the beautiful bright-colored flower," wrote Churchill. "Transport is the stem without which it could never have blossomed."

Churchill wrote those words in the late 19th century in a different era and in a context of strife. But it remains true today that transportation is the lifeblood of a modern economy. We know that it spells the difference between cities that are great and neighborhoods tinged with dispair, between rural life made prosperous and that lived out on the margin of existence, between a nation drawn closer in awareness of its own potential and one at odds with that potential.

Because I see such possibilities and I because I know that you share my view, I look forward to working with you in serving our Nation of travelers.

Thank you very much, Mr. Chairman, and I would be happy to respond to questions.

The CHAIRMAN. Thank you very much, and I am sure there are some questions.

I might say to our newer members, Senators Trible and Lautenberg, we follow in this committee a first come-first serve rule on asking questions rather than just following a strict seniority system. We limit the members, on at least our first round, to 5 minutes because we have discovered in the past that if we let any particular member go on, he or she may have 10, 15, 20, or 25 minutes of questions. We will continue to follow that process in this Congress.

So as I was here first, I will ask first, but I will instruct the clerk to hold us to 5 minutes each. Then we will go on to Senators Kassebaum, Trible, Hollings, Lautenberg, Long, Inouye, Danforth, Stevens and Heflin, in that order.

Mrs. Dole, you talked about deregulation and where it would serve the public interest. As you are aware, the present Department of Transportation and Drew Lewis have been, not just supportive, but have been very, very forceful in pushing the Bus Deregulation Act which was passed last year, and in furthering motor transport deregulation.

I am curious about your views in those two areas as to whether further bus and truck deregulation is desirable or necessary or possible.

Mrs. DOLE. Mr. Chairman, first in terms of bus deregulation. The law is recent. I feel that it is moving very effectively from what I have been able to determine thus far. But I think in terms of offering additional legislation, it would be a little premature. We must have an opportunity to assess the effectiveness of that deregulation more fully.

As far as motor carrier deregulation, my impression is that this has been successful, that it has promoted additional competition and rates are more closely allied with the costs, and that it is progressing well. I would anticipate that we will be offering additional legislation to deregulate further in that area.

The CHAIRMAN. There has been some quarrel from some of the truckers, although not a majority, as to how well it has worked, and very little complaint from shippers. One fear we had was that rural areas might lose service and, indeed, that does not seem to have happend.

Mrs. DOLE. That is right. My understanding is that the rural areas are doing well. Of course, we can't say that across the board. I am sure there are some instances where there are temporary dislocations. This is something that I think we must be very attentive to as we move forward with deregulation.

I might just add that when I was a member of the Federal Trade Commission I was on the Commission that first spoke out for deregulation. I believe it was about 1974 and we were the first to out in favor of deregulation. First we cleaned our own house. We reviewed our regulations and eliminated 145 regulations which we felt were no longer serving the public interest. Then we began to intervene before the ICC, the CAB and others to promote more competition rather than more regulation in the marketplace. This was based on the theory that deregulation does produce better quality goods and services, lower prices and more innovative choices in the marketplace. So I feel that this is the right direction to move, but we have to watch where there are dislocations and be particularly sensitive in the transition period.

The CHAIRMAN. The Truck Deregulation Act which we passed, Mrs. Dole, was a significant step. It particularly eased entry by replacing the public convenience and necessity standard that used to be the so-called "public utility" standard for almost anything, trucks, telephones or otherwise—with a fit, willing and able standard.

Do you think there is any room for further easing of entry restrictions in the truck industry?

Mrs. DOLE. I believe that there is. I think at this point I would like to reserve further specific comments on that. This is one of the areas that I would like to consider closely as we determine just what should be included in the next recommendations that we make.

The **Chairman**. You may be aware that the same act eliminated antitrust immunity for what we call singleline ratemaking. Not yet eliminated is antitrust immunity for jointline ratemaking; I am curious what your position would be on that?

Mrs. **Dole**. I think that the immunity for jointline ratemaking should be eliminated. I believe that the administration has testified to that effect and I would support that position.

The **Chairman**. Indeed, they have. Both your predecessor and the Chairman of the Interstate Commerce Commission indicated that it should be eliminated.

What do you think about Amtrak?

Mrs. **Dole**. I am a supporter of a national rail passenger service. I feel that what we must do as far as Amtrak is concerned is to continue with cost control efforts. And certainly where lines are involved as far as abandonment or making decisions of that sort, we must follow carefully the criteria that have been set out in the law.

The **Chairman**. Do you think we should maintain long-haul passenger trains that consistently lose money?

Mrs. **Dole**. Well, I would like to be able to talk with you in more detail about Amtrak at a later time. I do feel the key is that we must maintain a solid passenger service in this country. In terms of the lines, as I say, must follow the statutory criteria. But I would appreciate the opportunity to pursue that in more detail at a later time.

The **Chairman**. Most administrations, and not just this one, have wanted to cut back on Amtrak and this committee has been very, very sensitive about not wanting to cut back any further than we already have. We have cut back significantly and you are going to have lots of battles to enter into. My advice would be to put that one on a pretty low priority.

Mrs. **Dole**. I understand your position.

The **Chairman**. Senator Kassebaum.

Senator **Kassebaum**. Thank you, Mr. Chairman.

We have, in our efforts to achieve an airport development airways program legislation, agreed to a portion of that ADAP and the aviation trust fund moneys going to the operation and maintenance of the FAA. This was not an easy decision to make because it was a change that had not previously existed in the use of the aviation trust fund moneys.

At that time we had a strong guarantee and strong support from Secretary Lewis that there would be an ever increasing portion of that money that would be allocated to airport development. Since then there has been some uncertainty because it has been rumored that OMB would like to shift that percentage.

I would like to hear from you, if I might, your thoughts on that. I would hope for your continued support for the levels that we have now agreed to in the ADAP legislation.

Mrs. **Dole**. Well, I would follow the path that Secretary Lewis has laid out in that respect. Let me say that as far as the ADAP money is concerned, it is certainly not the intention of OMB or the administration to use the funds in that trust fund to offset the deficit. I would certainly support utilizing the users' fees for the purposes for which they have been collected.

Senator **Kassebaum**. Thank you very much.

The **Chairman**. Senator Trible.

Senator **Trible**. Thank you, Mr. Chairman.

Mrs. Dole, in spite of the great accomplishments of your predecessor, a hugh agenda of important issues remain, reflecting I guess the complexity and depth of the issues facing our Nation's transportation system. For example, our merchant marine, treated with benign neglect, continues to drift on stormy seas today.

Shipping reform, I believe must remain a high priority. I hope you will work closely with this committee and with the Senator from Alaska, Mr. Stevens, in insuring the passage of this vital legislation.

Also, measures to revive our commercial shipbuilding industry must receive the highest priority. Our commercial shipbuilding capacity is essential to our national security. However, the number of commercial starts has plummeted from 30 in 1978 to just 3 last year, and no new starts are anticipated in 1983.

This administration's policies to date have done nothing to assist this limping industry. I urge you to review the maritime proposals of the Cabinet Council on Commerce and Trade and to submit a legislative package that will benefit both the American-flag merchant marine and our commercial shipbuilding industry.

Also, as the Senator from Virginia, and as one who lives in northern Virginia, I will be in touch with you concerning our regional agenda. Continuing to channel future airport growth from National to Dulles remains a high priority. The noise level, the ground congestion and the safety concerns at National Airport cannot continue to increase. We have a magnificent facility at Dulles and we ought to enhance its use in the days ahead.

Also the Metrorail system is a regional priority. I am personally fully committed to the full 101 mile system. I regret there are those in the administration who would prefer a 76 mile system, eliminating important stations in the District of Columbia, Virginia, and Maryland. It is important that we keep our commitment to the residents of Washington's innercity as well as those good folks that live in the suburbs of Virginia and Maryland.

A couple of quick questions, if I might.

First of all, in terms of the Metrorail system—I would like to know your own personal view in terms of the Metrorail system which, as I said, is essential not only to those good people that live in the suburbs of Virginia and Maryland, but also to the people who live in the District of Columbia. I would like to see it completed to the full 101 miles contemplated and I would like to know if you support the full 101 mile system.

Mrs. **Dole**. Let me say that I know that recently the determination was made that the stable and reliable criterian was met. Thus, the funding for the 75 miles would go forward, with the decision on locations to be made by the local people.

As far as the 101 miles, I would like to reserve judgment on that until I have had an opportunity to become more familiar with this issue. In terms of the funding for the 75 miles, that is moving forward.

Senator TRIBLE. Good. Well, we will talk about that then.

Let me talk for just a moment about shipbuilding. In 1980 President Reagan vowed that the active shipbuilding base necessary for our national security was to be maintained through sufficient Navy and commercial shipbuilding. Maritime Administration and naval officials have now determined the base required is 27 shipyards. It is apparent that the planned naval construction program, enhanced though it is, will utilize no more than two-thirds of that necessary shipbuilding base.

Now the Department of Transportation has embarked on a program of encouraging the construction of U.S.-flag ships in foreign shipyards, a policy which could further jeopardize this essential shipbuilding base here at home.

My question is this. As Secretary of Transportation will you take positive steps to stimulate a sufficient volume of commercial shipbuilding in American shipyards to insure the preservation of this essential shipbuilding base and to also, of course provide jobs for our folks at home?

Mrs. DOLE. I look forward to working with you and I appreciate the extensive experience you have had on the House Committee on Armed Services. I look forward to moving ahead quickly with reform legislation on maritime policy. It is so important that we maintain a strong merchant marine both for the sake of national security and for the benefit of our trade and commerce. We must put our ships on an equal footing with foreign ships. This is an extremely important area for early action in my term as Secretary, if confirmed.

As far as the industry is concerned, of course, title XI funds are available. They have recently been increased from $600 million to $900 million by the administration for purposes of national security. This additional amount can be expended for shipbuilding. The capital construction fund is another source of financing that is ultimately beneficial to the shipbuilders.

The Department is working with other Departments and agencies of Government to look at the whole regulatory picture and determine where regulations might be reduced that are excessive and burdensome. I believe as well that the Maritime Administration is working with the Department of the Navy to determine where costs might be reduced for the industry. In other words, they would to provide advice and counsel to assist in reducing costs.

There are a number of initiatives that are underway. We have to provide a balanced to meet all aspects of our maritime needs. That is what I certainly will be striving to accomplish.

Senator TRIBLE. I thank you.

The CHAIRMAN. Senator Hollings.

Senator HOLLINGS. Thank you, Mr. Chairman.

Madam Secretary, I will touch on just two things at this time. One is deregulation, and the other is the Coast Guard.

With respect to deregulation I commend your commonsensical caution. In communications, we have thrust forward with deregulation because we have over 9,000 radio stations which have been spending more money in the so-called relicensing for justification and Washington lawyers than they have on their programing.

Thus, we continue to seek more deregulation in the communications field because of the need.

With respect to the airlines, I could have been the third Senator introducing you. I see more of the folks and residents of Charlotte, N.C., than I do of my own family.

Mrs. DOLE. I have seen you there on several occasions; yes.

Senator HOLLINGS. I used to have direct flights back, as you well know, and they paid for themselves. But with the economies of size now, the airlines are advertising $99 any and everywhere. I have to pay substantially more to fly to Charleston, S.C., than for the plane that goes to Miami.

What you really have is about 75 percent of the country, especially the medium-sized communities of America, subsidizing about 25 percent of the travelers, and with that, the airlines are going broke. They can keep on writing all those nice little stories stating that deregulation is succeeding, but it has not as far as I am concerned.

That goes right to the heart of trucking deregulation. Be very cautious there to make sure that those rural areas and medium-sized towns will be served because it is a matter of economics. Oh, you can have deregulation, and politicians in Washington run around saying how they got rid of the bureaucracy and regulation, but they have gotten rid of the service.

If you are the big lines, you welcome the opportunity to close down a bunch of terminals that had been found necessary in order to be licensed to do business in those particular States and to close down these kind of nonprofitmaking, rural or medium-sized operations, and serve only the big areas. Then we have got further deterioration of service.

So, I commend your commonsensical caution in response to the questions asked by our distinguished chairman.

The situation with to the Coast Guard is much like the one with the Secretary of Commerce, who got onboard and found that the biggest department he has is the National Oceanic and Atmospheric Administration. He is the big businessman now with responsibility for trade and everything else, and all of the sudden he finds this big department as the biggest opportunity for cuts. This has also occurred with every Secretary of Transportation and the Coast Guard. In fact, Secretary John Volpe testified before this committee that the Coast Guard was misplaced, and the Stratton Commission found that it should be in a separate agency.

Let us go back 7 years ago when we extended the jurisdictional size of the United States by a third in addition to the 200-mile limit, and we put the Coast Guard, then administering the fisheries, in charge at all this area. Then came the refugees from both Cuba and Haiti and the drug enforcement problem.

You have got these young courageous kids coming out of the Coast Guard Academy scrambling in the dark of night up 30-foot sides of vessels with inadequate equipment. The 1980 GAO report says they have to withhold their searches at night because they don't have infrared. Right now, while you are testifying, there is a ship taking water—*the Plain Tree* out in the Pacific, an old hull from World War II.

That particular budget is really low. In fact, it had been cut and only kept alive by virtue of the budget resolution. We in the Budget Committee put extra millions in the Coast Guard budget because it has a big role to fulfill with respect to drug enforcement, refugees, and everything else, as well as the maritime regulations.

Look at that Department not as a wonderful political tool. They always like to send the Coast Guard jet out to bring Senators back to vote. They didn't send it out for me, incidentally, the last time.

I remember one time in New Delhi, India, I saw a Coast Guard jet. The Coast Guard has a pretty wide coast to cover. Don't get into a Coast Guard budget problem. We have got a political year coming in 1984, and everyone in the White House will be wanting to use your transportation but cut the budget. Watch that Coast Guard first because it doesn't have a constituency. It has a much, much bigger role now that the 200-mile limit has been extended. They are undermanned and underfinanced, and the equipment is old.

We need really a Secretary who is sympathetic to these particular needs of the Coast Guard, and I hope you will look at that very carefully.

Mrs. DOLE. I certainly will.

Senator HOLLINGS. Thank you.

Mrs. DOLE. Thank you.

The CHAIRMAN. Senator Lautenberg.

Senator LAUTENBERG. Thank you, Mr. Chairman.

I did have a chance to state the concern that I had about a response that you gave to a question put to you earlier—the reduction in mass transit subsidy.

I think that your statement talks about the market forces at work, but unfortunately, it doesn't always to work that way. We have had private buslines go out of business. I served on the Port Authority of New York and New Jersey which has responsibility for one of the heaviest commuting rail lines in the country. That group had to be taken over by a government agency. It operates very well and with very reasonable fares, but only because the port authority has the ability to pass some of the costs on to automobile riders who use the bridges and tunnels and to the airports. I think we are going to continue to face to be facing that kind of a situation in the future.

In New Jersey we have a particularly difficult situation, as I indicated in my earlier remarks. I would simply not ask at this point for specifics, but I would like to go on record as saying that we are going to ask you to reconsider your position on mass transit subsidy. Our people in New Jersey need help from the Federal Government. We cannot afford to ask the commuter to pay the fare necessary to pay for those lines. They just can't do it. Commuter use has particular hours and particular densities of use that don't justify the economics of the fare as it is.

That is one thing that again I would like you to think about, and we will have a chance to talk at some later date.

On another issue, we have considerable delays at our airports, and the New York area has four very active airports. The fourth one is Teterboro, as some of you may know. It is a general aviation airport. I think that a large part of our delay problem is that the airports are undermanned at the air control level.

I would urge that we consider taking back some of those people who have been out of work and who are fully trained instead of waiting for the cycle to be completed in terms of training to get the available slots filled. I think the air traffic controllers have paid the price for the problems that were there, which is not really my key message. I simply want to get more trained people back in those controller towers so that we can expedite air travel.

All of you, I am sure, have experienced delays going into New York, and we find that across the country. There are people well trained and ready to go to work, and I think we ought to employ them. Again, Mrs. Dole, I would urge that you take a look at that.

I will close by saying again that I am encouraged by this first opportunity that I have had for a hearing on a perspective appointment with such good quality. I assume, Mr. Chairman, that that is always the case and that we will never have any difficulties. I heartily endorse this appointment.

Mrs. Dole. Thank you very much.

The Chairman. Senator Long.

Senator Long. Mrs. Dole, it always seems to me that it is a little unfair for us to get nominees before our committee before they havé had a chance to be familiarized with the views within the Department and the problems to be confronted, and to ask the nominees about things that they haven't had a chance to study adequately, and then to go out there and oppose their confirmation if they give the wrong answer. So I don't think I am going to ask you any questions.

I do find myself thinking about a story Sam Erwin used to tell apropos of this. He said that his father took his mother out in a buggy and proposed marriage. She accepted and he just sat there after she accepted and didn't say anything one way or the other. And she said, why don't you say something? He said, I think I might have said enough already and maybe too much.

So I would advise you to be cautious with these people around here.

Don't hesitate to say that that is a very thoughtful question being asked and that it deserves a lot of study, and that you will go back and think about it.

Mrs. Dole. Thank you.

Senator Long. I am going to leave in due course, but I want to be put down as voting for confirmation, Mr. Chairman.

The Chairman. Thank you.

As usual, the advice you get from Senator Long is probably as good as you will get from anybody on this Hill.

Senator Inouye.

Senator Inouye. Mr. Chairman, as my colleagues are well aware, my major concern on this committee is in the area of our merchant fleet.

I have had the great privilege of meeting with the Secretary designee, and I have been much impressed by her depth of knowledge on this subject and ready grasp of the issues.

As my colleague from Louisiana has indicated, I think it is not fair to a nominee to deluge her with all of these complex questions.

So, if I may, I ask consent to submit my questions [1] and ask the nominee to consider them and respond to them.

The CHAIRMAN. I would be happy to have that done. Mrs. Dole was very good about responding, within a day, to 20 questions the minority submitted a couple of days ago. I am sure she will have answers back to yours very soon.

Senator INOUYE. If I may, I would like to commend the administration for its wisdom in selecting Mrs. Dole, and I congratulate her on her nomination.

Mrs. DOLE. Thank you very much.

Senator HOLLINGS. Mr. Chairman, I have some questions for myself [2] and some from my distinguished colleague Senator Metzenbaum.[3] I don't want to interrupt, but I would appreciate the courtesy of being able to submit those questions for your answers.

Mrs. DOLE. Fine. Thank you.

The CHAIRMAN. Senator Danforth.

Senator DANFORTH. Well, Mrs. Dole, I am just delighted to see you here. I have had the privilege of knowing you and working with you since I was in State government. I greatly admire you and I compliment the administration on sending your name to the Senate.

One thing that I think is very, very encouraging is that you have chosen to mention very early in your comments to this committee your concern about highway safety and your commitment to the improvement of our position on highway safety. I would encourage you in that regard.

Heretofore, especially during this administration, I think it is fair to say that most of the emphasis of the Department of Transportation has been directed at the performance of operators of motor vehicles. We did pass a drunk driving bill which I think was a step forward. The administration has attempted to encourage people to buckle up and so on.

My only comment to you, and I might ask you if you care to respond in any way, is that I would hope that during your tenure as Secretary of Transportation your pursuit of highway safety would include more than simply the performance of the drivers themselves, although that is obviously very important, but would extend as well to the construction and components in motor vehicles and the Department would not just rule out as a matter of course such matters as, for example, passive restraints or safer windshields or safer bumpers or whatever else is necessary to make the vehicles themselves more suitable for transportation and less likely to lead to dangerous injuries.

Mrs. DOLE. Well, my view is that we certainly will be pursuing safety as a foremost mission of the Department of Transportation. It is a very important mission and I will be enforcing the laws that are on the books in this area to the fullest extent. I will be looking at several different methods. I think it is a matter of safe drivers, safe vehicles and safe system infrastructure. Implementing the

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[1] See p. 40.

[2] See p. 37.

[3] See p. 46.

Surface Transportation Assistance Act is a measure that is going to be very important in terms of enhancing safety in this country.

As far as the drunk driving area, safety belts and child safety seats, programs which are ongoing at the Department right now, I intend to get personally involved. I think we should continue to provide a national platform, to do everything possible to work with State and local governments, with other agencies of government and with the private sector to get every last drunk driver off the roads and to encourage citizens in this country to use their safety belts and to understand the importance of it.

I have just recently met with Governor Volpe, the Chairman of the Drunk Driving Commission. It would be my intention to suggest to the President that that Commission be extended through the rest of this year. I want to take a close look at a number of areas and highway safety certainly will be very high on my priority list from all the angles that I have mentioned.

Senator DANFORTH. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Stevens.

Senator STEVENS. Mr. Chairman, thank you.

I have been sitting here thinking about a problem, and that is how do you wish us to address you, Madam Secretary?

Some of us don't like to remember that fellow from whom you took your name, who might want to take you off traveling to exotic places like New Hampshire and Iowa and other places.

How do we call you, Madam Secretary?

Mrs. DOLE. Elizabeth, please.

Senator STEVENS. Elizabeth, following up on what Senator Danforth said, I have been interested in the recent proposal to extend the concept of confiscation of vehicles, aircraft or trucks when people use them while they are under the influence. If they were used to transport illegal drugs, they would be seized. If they were used to transport illegal alcohol, they would be seized, but when they are used illegally by someone who has consumed either of those, the vehicles are not seized.

Are you willing to explore with us the concept of some national requirement of confiscation of vehicles, including aircraft, used by people who are under the influence?

Mrs. DOLE. I would be willing to explore that with you, yes, indeed.

Senator STEVENS. Just explore it. That is all we need.

Second, I want to get provincial. As I did mention to you when you visited and I want to put it on the record, because I have been asked to do so, we are very interested in proceeding with the Alaska Railroad evaluation. I think this committee has heard enough of the Alaska Railroad, but unfortunately I find there is no money in the budget to do the evaluation. It will be at least 6 months before we get a supplemental appropriations bill and I am told there is going to have to be a reprograming within your Department to make available a little over $1 million for that evaluation.

I don't want to commit you, as my friend from Louisiana says, I just want to flag it again on the record. I hope that you and your people will, as soon as possible, make available to the Federal Railroad Administration and the U. S. Railroad Association the moneys necessary to evaluate that railroad. It should be transferred to the State of Alaska as soon as possible. That evaluation is a prerequisite now. So I would urge you to do that.

Last, I do want to ask you a question, in spite of the admonition of the Senator from Louisiana. As the Senator from Virginia said and others, I think that one of the main areas that this committee ought to attempt to deal with in this 2-year period is the whole area of maritime policy. We need to make certain who is going to be the spokesperson, and I say that advisedly, for the administration.

Will that be your role? Can we look to you as the spokesperson for the administration on maritime policy in this Congress?

Mrs. DOLE. I consider myself as the person who will be coming forward to present the maritime legislation. I have not, frankly, discussed this with other colleagues at this point. Secretary Lewis has been the spokesman for the Department and the administration on this issue. I would certainly assume that I will follow and play the same role as we move forward to submit legislation in this session. That is certainly my assumption.

Senator STEVENS. Well, I urge you to have those consultations because I think it is extremely important in this period that we have a focus point. We all know there are policy considerations and there are policy formation groups within the administration, but we ought to have one person to whom we can turn to have the articulation of that policy of the administration. I think it should be the Secretary of Transportation.

I think it should be you and I believe that you have the background and the ability to help us reform national maritime policy so that we can be certain that the merchant marine and other maritime interests that depend on that policy will not follow the railroads into a period of real trouble. It looks as though that is possible right now and I think that this committee ought to address itself seriously to all of those issues and we look to you to be the person that explains to us the administration's point of view on them.

Mrs. DOLE. Well, I certainly look forward to working with you and other members of the committee very soon to determine the proper vehicle and timing. As I say, I assume that I will be the spokesperson. I would like to have an opportunity to discuss this with the President and to give you confirmation very shortly.

Senator STEVENS. Thank you.

We welcome you here and are delighted the President made the selection and submitted your nomination.

Mrs. DOLE. Thank you.

The CHAIRMAN. Senator Heflin.

Senator HEFLIN. Mrs. Dole, as you learned last month, the Congress passed the Surface Transportation Assistance Act of 1982, and one of the issues involved was putting people back to work. In order to insure that American workers benefit most from this bill, a strong Buy American section was included. The old Buy American section in the 1978 act was repealed, and this new statute was put in its place.

The Department of Transportation's Federal Highway Administration issued a interim final rule and request for comments on these new Buy American requirements on January 17 in the Federal Register, and I realize that maybe you haven't had a chance to look at this, but there three areas of that interim rule that trouble me.

One, the Administrator has temporarily waived the application of the Buy American provision to manufactured products other than steel and concrete, and the law clearly states that the Buy American provision should apply to steel, cement, and manufactured products.

Second, the old and repealed Buy American section did not apply to projects costing less than $500,000. The new Buy American section eliminated any such threshold and was made applicable to any project funded under the act. Yet, the Administrator has unilaterally decided to keep a threshold during the interim period. Both of these decisions on the part of the Federal Highway Administration clearly fly in the face of the letter and spirit of the new Buy American section.

I would like to ask you to look into this matter promptly and see if you can have these items changed forthwith to reflect the spirit and the letter of the law, and I would like, if you would, to let me hear from you within a reasonable period of time.

Mrs. DOLE. I would be happy to do that.

Senator HEFLIN. Third, and one of the last items of concern, is that these new interim rules run from January 6 to September 30, 1983, and the comment period is open to July 1, 1983. This seems to me an excessively long period of time for comments. I would appreciate if you would look into this to see if the rulemaking procedure can be shortened. So if you will, I would like to know that.

Mrs. DOLE. Yes, sir, I certainly will.

Senator HEFLIN. Now let me go into a more delicate subject, and I do with great admiration for you and great admiration for your husband, Senator Dole. But there could be possible conflicts of interest on measures that can arise between you and Senator Dole as the chairman of the Finance Committee.

Let's look at a scenario pertaining to this 5-cents-a-gallon gasoline tax in the highway bill. It in effect originated from the Department of Transportation. Your husband was chairman of the Finance Committee, which was the taxwriting committee relative to this.

I am sure that you are going to act independently and there will be no problem, but I would like to inquire whether or not you can see areas of conflict of interest in your capacity as a Cabinet member in the Department of Transportation and as a wife and, if so, have you and your husband discussed these matters and do you have some type of an arrangement by which you will meet these conflicts?

Now I realize that you are a separate individual and that you have your own mind, but there could be this possibility, and I feel that maybe the American people ought to have an explanation relative to your role. It is a little unusual, and I am sure you are going to handle it, but would you give us your thoughts, minimizing any abrasiveness in domestic peace and felicity, on issues that might arise in which there could be perhaps conflicts of interest?

Mrs. DOLE. Senator Heflin, I think it is a matter of professional integrity. My husband and I long ago talked this over and we see absolutely no problem. In my position at the White House, I have been involved in various issues that have been before the Finance Committee and I really don't see the situation changing.

We have no hesitation whatsoever about compartmentalizing, if you will. In other words, all information is not exchanged. I know that may seem a little unusual, but there are certainly times when I feel that particular information is in-house and I do not feel it should be discussed. I have had no difficulty keeping that separate. I know there have been times when Bob has been involved in meetings where there was an agreement that it would be confidential and he indicated to me he would not be discussing that matter with me and he did not.

So we feel very comfortable with this situation and it is just not a problem for us. I don't foresee any difficulties. I see so little of him these days there is really very little opportunity anyway.

Senator HEFLIN. I suppose it follows the general set custom that wives do have secrets from husbands and husbands do have secrets from wives.

My wife maybe doesn't tell me everything that occurs at Senate Wives, thank the Lord—but then she does bring me some good information at times.

I think your explanation was good and I am delighted to see that you and your husband have previously talked about it.

Mrs. DOLE. Well, I see it as a matter of professional integrity. This is a part of my responsibility to the public and his as well that we maintain those standards, and indeed we will.

Senator HEFLIN. Thank you.

The CHAIRMAN. Some of us have a slightly different problem. My wife normally says please don't tell me everything that happened in the Commerce Committee today.

Senator Riegle.

Senator HEFLIN. Before you go on, I may have a few written questions I want to submit.[1]

The CHAIRMAN. All right.

Senator RIEGLE. Mr. Chairman and Elizabeth, I would just like to say at the outset that I think you are a very strong nominee, and I think you bring excellent qualifications to this job. I think the way you have responded to questions today represents that fully.

I think this is a fine nomination, and I am pleased to support it. I look forward to working with you in your time of service in this capacity.

I would like to reinforce maybe two or three things that others have said here as we wind down to the end of this hearing.

I very strongly support what Senator Heflin had said at the outset with respect to the Buy American provision in the highway bill. I think there is likely an attempt at evasion. I have seen the Office of Management and Budget countless times—I have lost track—be evasive in policy areas with the thought in mind of maybe reducing budget outlays in some fashion. Or even sometimes it isn't that clear, and it just may be an ideological reflex rather than a dollars-and-cents point.

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[1] See p. 44.

But the Buy American provision is so explicit, it is so freshly written—I mean the ink is barely dry—and it is clear as a bell what the intent of the Congress is. The President has signed this, and it is the law of the land. It ought to be put into effect fully and promptly. The country wants it, and there really is no justification for undue delay, evasion, game playing, or whatever.

I say that because, as has been pointed out, you are new to this and you have not been part of that process. But we don't want a sidestep here. A clear part of the rationale and justification was that some jobs would be provided. We want those to be jobs in this country. The law is clear and, it ought to be carried out, and anybody that gets in the way, for whatever outside purpose, ought to be just mowed right down. I would hope that you would feel forceful enough and strong enough and fully enfranchised enough here to go right straight at that.

I would like also to say that with respect to the comments of Senator Lautenberg on the air traffic controllers' situation, I share his concern as well. I think we are understaffed. I think there are problems out there. They are not likely to show up until accidents occur. We don't want to see that occur. There are trained personnel out there available, and I would hope that now with a change of command a fresh look can be taken at this out of the heat and passion of the strike and the way it was dealt with to see what our needs are. If it looks as if there are areas where we are understrength and we can get up to strength by using seasoned people who have been in those ranks before, we ought to take that step at this point.

On the highway safety issue, Senator Danforth I think raised important points earlier. But I noticed in today's paper that two young men were killed in an accident out on the George Washington Parkway in almost the identical spot where Ed Meese lost his son to a similar kind of an accident a year ago.

I think that highway design and the whole way we approach the question of trying to identify critical traffic problem areas go way beyond just the issue of traffic safety as it relates to automobiles and how they are built. That is part of it. But I think we are finding increasingly in areas where some police departments are zero- [illegible] ose areas where the frequency of accidents is very high, [illegible] ve in and find ways to change that.

There is a spot right here coming off the Southeast Freeway coming up to the Capitol where there is a tight turn. There probably were a thousand cars that had careened into the wall there, and finally about 3 years later we—or somebody—put up some yellow warning lights, and now it appears there are far fewer accidents.

So I think there are things that can be done here beyond just the drunk driver, which is a problem, and beyond just car design, which has been a problem, to make a much further dent in this problem, and I would hope you would.

Finally, as we have spoken about previously in private conversation, Secretary Goldschmidt did a terrific job in zeroing in on the problems of the auto industry as they relate to the whole transportation base and future of this country, and had made great strides.

I know there has been a transfer of authority within this administration so that the Commerce Department now has an enlarged responsibility, as compared to the Department of Transportation as it relates to the health and future prospects of the auto industry.

But I think that industry is so integrally a part of the transportation grid and network in the country—and the highway bill is the representation of that—that I would hope, as we have discussed, that you would have an opportunity to reflect on the problems of that industry as they relate to our ability to continue to meet our private and personal transportation needs in this country, to review that relationship, and to try to perhaps make an assessment of the degree to which the Transportation Department has, or should have, a continuing responsibility here and where that meets with the Commerce Department and its charter here, so that we really make sure that we are responding to what is an increasingly serious situation in the industrial sector in national policy.

So after you have had a chance to do that, as I have said to you, I hope we can sit down and talk about it because I would like to be helpful to you in that area as well as others.

Mrs. DOLE. Very good. I will look forward to that opportunity.

Senator RIEGLE. Thank you very much.

The CHAIRMAN. Senator Pressler.

Senator PRESSLER. Thank you.

I certainly want to commend our nominee and also our chairman for moving this hearing along so quickly and so well. I think it is a reflection on the nominee that it has gone so quickly.

Let me say that I have been a strong opponent of deregulation, not because I oppose deregulation, but because I feel that common carriers have a common responsibility to serve some areas other than just rich areas. In terms of rich, I mean service areas that have great population, rich in profits.

I have a very strong feeling that the Department of Transportation has been insensitive to some of these problems. There is a feeling out in smaller towns and rural areas that Washington doesn't know what has happened as a result of airline deregulation and bus deregulation and rail deregulation.

I have suggested to you that it would be a great gesture on the part of a new Secretary to tour some parts of the country that have especially great problems, and I have suggested your coming to Humboldt, S. Dak. I don't mean to be provincial.

The point is that I hope you take a special interest in this impact of deregulation on small towns and rural areas and there is going to be legislation. I think there is going to be increasing pressure to require certain services of those firms that just have very lucrative routes to also take some that are not so wealthy because that is how our national transportation system was built.

Do you have any feelings about changing some of the deregulation legislation, or would you be inclined to suggest any changes?

Mrs. DOLE. Well, my feeling is that at this time the indication overall is that deregulation is moving in a positive way. I know that there are certain problems of dislocations. This is to be expected in a transition period. I feel very strongly that we need to focus on those problems and to try to be sensitive to those dislocations.

Of course, there is provision during the transition for subsidies to help the small communities and the rural areas. I think we have to look at the overall transportation picture available to a community. We have to look at bus service, rail service, and airline service.

My feeling is, though, that overall, deregulation is working by providing better service and lower costs. Competition is working. Of course, it is hard to separate the difficulties of the airline industry generally from the recession and the problems of our economy right now. As we move into a recovery, we are going to see a number of productive changes in terms of additional travelers and greater profitability for the industry and employment. Some of these problems will begin to be resolved soon.

I do feel that we must be very sensitive to the kind of concerns you are speaking of. However, I don't think the industry itself would favor going to reregulation at this point.

Senator PRESSLER. I have some additional questions on that subject that I will submit for the record,[1] and some have been asked.

I hope that the Department of Transportation continues in its reports, analyses, and studies to always include a section on the impact on grain transportation that is so important in our export. I do have a couple of questions along those lines to submit.

But let me ask you, do you come to your job as Secretary of Transportation with any strong feelings as to whether the coal slurry pipelines can coexist peacefully with the railroads?

Mrs. DOLE. Yes; I feel that this is a healthy development promoting competition eminent domain, with regard to the President has indicated that he feels this is a matter of State jurisdiction. I fully support that position.

Senator PRESSLER. A final question. In the recently passed highway gas tax bill, it included uniform weights and lengths provisions to help the trucking industry pay for the increased taxes. I would ask that you work closely with the States to make certain that they comply with these provisions as soon as possible so that truckers have the opportunity to realize an increase in productivity necessary to pay the tax. That is a thought that I will leave you with, and I will have some additional questions.

Mrs. DOLE. Fine. Thank you.

The CHAIRMAN. I would ask all the Senators to submit their questions today, if they can, so Mrs. Dole can have a chance to answer them and we can move on confirmation as soon as possible.

Elizabeth, Senator Hollings and I have been here long enough to have seen the train station go from train station to Visitors Information Center to quasi-train station or whatever you might call it now. What are your plans and your thoughts?

Mrs. DOLE. I would like to move quickly to see the Union Station become a viable enterprise. I understand that Secretary Lewis indicated he would provide some options regarding sources of funding to the Congress by mid-February. I hope to meet that goal. I feel that we should move ahead on it and I look forward to working with you and members of this committee.

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[1] See p. 34.

The CHAIRMAN. I really hope you will because, although Fritz and I don't come from this area, that corridor between here and New York or perhaps even here and Boston I think will supplant airline transportation one day as the principal source of moving people back and forth.

The station is an abomination. It is an insult to this country what we have done with it and it is an insult that we don't do something worthwhile with a very elegant building so desirably located.

Mrs. DOLE. Absolutely. I agree with you and look forward to working with you on that.

The CHAIRMAN. One of the perpetual problems you will face is the transportation of radioactive materials and the issue of Federal preemption mainly because very few States, Senator Hollings excepted, are willing to store them. Most States don't even want them transported through their State and will pass all kinds of regulations allegedly for safety purposes, closely designed to prevent the transportation of the materials through their State at all.

If necessary, would you favor Federal preemption in order to transport these materials throughout the country?

Mrs. DOLE. Well, I understand the difficulties that some of the States have and I would want to work with them to try to resolve their problems. But, yes, I feel that this is an important area where preemption would be appropriate.

The CHAIRMAN. I don't see that we have any choice. I understand why no State wants it and no State wants to transport it, but it has got to move some place and be stored some place.

What do you think about Conrail and selling it?

Mrs. DOLE. I think we should move expeditiously to sell Conrail to the private sector and I would hope that this year will see a lot of progress in that respect. Of course, the next steps are profitability determinations. These would be made both in June I believe it is of this year and then again for the period from June to October 31. I feel that we should move expeditiously and that will certainly be high on my priority list.

The CHAIRMAN. That I think has been one of the real successes of Drew Lewis. Indeed, it appears that it will be profitable. I wouldn't be suprised if you have more than one purchaser. There was a fear that nobody would want to buy it when we passed that legislation, but I have a feeling that a number of companies will look at it and that you will have some competing bids for it.

Mrs. DOLE. Right.

The CHAIRMAN. Senator Kassebaum.

Senator KASSEBAUM. Thank you.

As you can tell, there has been a great deal of concern among most of us here who have known you well whether to say Elizabeth or Mrs. Dole, and I would only say that I look forward to saying Madam Secretary.

Mrs. DOLE. Thank you very much.

Senator KASSEBAUM. It is indeed a great honor.

One of the most important issues in which I will be involved soon is how we do phase out the Civil Aeronautics Board. I am not going to go into any questions on that today, but it will be something that we will be working closely together on, I am sure, as we try and resolve the phasing out of that authority and other independent agencies' authority in the transportation area.

Mrs. DOLE. I look forward to working with you.

Senator KASSEBAUM. I have no other questions.

The CHAIRMAN. Senator Trible.

Senator TRIBLE. I have no further questions.

The CHAIRMAN. Senator Hollings.

Senator HOLLINGS. Madam Secretary, I think you are far more confirmed now than some in the past who have been through the nomination formality.

Do us all a favor, and find two or three individuals who are really expert in traffic flow problems to work on National Airport. I know about the issue of the number of flights, which we try to hold down, but actually it seems that with certain influences it has taken on more flights than less. But let's assume a set number. You could move the parking lot or put it underground, or somebody with better sense than I who is expert in that field could quietly make changes, and you could make yourself a hero by unsnarling that mess. The airport is a horrible operation, just with people coming in, stopping and starting. You can't get to the terminal. You are constantly racing ahead—and everybody turns into an O. J. Simpson trying to jump over cars and everything else. In the end the plane is gone, and you have been there a half hour ahead of time.

So if you, as Secretary of Transportation, just get two or three individuals who really have savvy and can get at this thing, or find a small little group to just work directly with you and find one or two solutions to unsnarl that traffic jam out there at the National Airport, you will do us all a favor.

Mrs. DOLE. I appreciate your concern and I will be happy to focus on that.

Senator HOLLINGS. It is worthwhile doing and there is no reason why we can't figure that one out. It just gets worse and worse.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Fritz.

Senator Lautenberg.

Senator LAUTENBERG. Just very briefly, Mr. Chairman. You brought up the point of the sale of Conrail. We in New Jersey are concerned that it not be picked off in parts to avoid having the good parts be available to those who want to buy and the remainder left to flounder. We hope that it will be sold as a unit, as a total piece, because there is an opportunity for us to benefit from its continued operation in its present form. I would reserve the right, I assume, Mr. Chairman, to submit questions.[1]

I congratulate you again, Mrs. Dole, on a wonderful hearing—my first experience, but not yours. It was enjoyable, and thank you.

Mrs. DOLE. Thank you.

The CHAIRMAN. Again, we would appreciate if you can get them in today so she can answer them and then we can move the confirmation as soon as possible.

Senator Pressler.

Senator PRESSLER. No questions.

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[1] See p. 45.

The **Chairman**. Any other questions by any members of the committee?

[No response.]

The **Chairman**. If not, Elizabeth, thank you very, very much. You made a sparkling appearance.

Mrs. **Dole**. Thank you.

[The questions and answers referred to follow:]

Questions of the Committee and the Answers Thereto

COAST GUARD'S MILITARY READINESS

Question. 14 U.S.C. 1 provides for the Coast Guard to be ". . . a military service and branch of the armed forces of the United States at all times." Additionally, Title 14 requires that the Secretary concerned provide those resources necessary to insure the military readiness of the Coast Guard for wartime operations.

During the past two years, advocates in the Administration have appeared to ignore this statutory mandate and have attempted to reduce the ability of the Coast Guard to maintain its state of military readiness. In fact, the Administration recommended reduction in the fiscal year 1982 Coast Guard budget while at the same time it recommended significant increases for all other Armed Services.

As Secretary of Transportation, will you recognize the Coast Guard as a military force and insist that adequate funding be provided not only to carry out its many peacetime missions but also to maintain its military readiness for wartime?

Answer. I assure you, I recognize the statutory responsibilities of the Secretary of Transportation to maintain the Coast Guard in a state of readiness to function as a specialized service in the Navy in time of war. The Coast Guard is one of the nation's five armed forces with important tasking in several areas; principally strategic mobility and port security. The Coast Guard Reserve adds a significant dimension to the contribution to the national defense. I will continue to fully support the Coast Guard's military readiness mission as an integral part of our national defense.

DOT SUPPORT OF NATIONAL DEFENSE

Question. From a national defense standpoint, various agencies and activities in DOT play a role in national security. The entire national transportation system—rail, highway, bridges, locks, dams, airports, air traffic control, ports, waterways, etc.—must be maintained to insure the strategic mobility of our Armed Forces and their logistic support to our ports and safely out of them. Given the current budgetary constraints, what support priority will the national defense features of DOT have in your administration?

Answer. Security of our Nation's intermodal transportation system is certainly important. DOT clearly has a strong national security role through both the peacetime and national emergency responsibilities of its various agencies. I know that DOT through all its agencies will be able to emphasize those programs which contribute to national security while also providing a continuous service to the public in other areas of national interest.

PORT SECURITY

Question. The Coast Guard Reserve's primary mission has been port security. Are you aware of the crucial role port security plays in our national defense and the importance of the Coast Guard Reserve to this critical mission?

Answer. Port Security has been a major Coast Guard mission for over 40 years, and the Coast Guard Reserve has always been an integral and essential part of the total force available and trained for this mission both in peace and at war. The recently completed Roles and Missions Study reaffirmed the Coast Guard's role in assuring the safe transit of war material through our ports in the event of national emergency.

GROWTH OF COAST GUARD RESERVE

Question. As Secretary of Transportation, will you support an orderly and planned growth of Coast Guard Reserve personnel strength and equipment with the goal of ultimately meeting 100 percent of wartime requirements?

Answer. I am aware of the important role that the Coast Guard Reserve serves, especially in time of war. I will look into Coast Guard Reserve personnel strength and equipment needs.

COAST GUARD'S CONTRIBUTION TO NATIONAL SECURITY

Question. Do you understand that any plans to improve efficiency and economy in the operation and management of the Coast Guard must take full cognizance of the Coast Guard's contribution to national security?

Answer. I recognize the strategic and military importance of many of the Coast Guard's responsibilities and will do what is appropriate to ensure the Coast Guard's continued ability to perform these vital missions.

TRANSFER OF COAST GUARD RESPONSIBILITIES

Question. Would you ever support total or partial disbanding of the Coast Guard with their responsibilities being transferred to other federal agencies, to state and local governments, or to the private sector?

Answer. I do not foresee any wholesale transferring of Coast Guard responsibilities to other federal, state or local agencies. DOT will continue, however, to examine specific areas identified in the recently completed Roles and Missions Study where the private sector may offer a cost-effective alternative.

RELOCATION OF COAST GUARD

Question. If at some future time, you come to the conclusion that support of the Coast Guard should take a lower priority in DOT, would you favor alternatives to transfer the Coast Guard to another department of the federal government.

Answer. I do not foresee your hypothetical situation ever occurring. The Coast Guard has many varied missions which require them to work with numerous agencies both inside and outside of DOT. The one common thread that ties all these missions together is marine transportation. The Coast Guard should remain in the Department of Transportation where it can best carry out its essential marine transportation responsibilities.

SEMIPARATUS REPORT

Question. Are you familiar with the oversight report entitled, "Semi-Paratus: the United States Coast Guard, 1981," issued in November 1981 by the House Committee on Merchant Marine and Fisheries? If not, I would recommend it to you. The title is self-explanatory and the bottom line is that a serious imbalance exists between the scope of Coast Guard responsibilities and the resources available to the service. The result is a steady deterioration in the ability of the Coast Guard to carry out its missions effectively. I have not seen any subsequent actions undertaken by the Department which would reverse this trend.

Answer. The "Roles and Missions Study," was completed shortly after "Semi-Paratus" and came to the conclusion that a serious imbalance exists between the scope of Coast Guard responsibilities and the resources available to the service. DOT is now in the process of implementing the recommendations of the study. One of the tangible results has been increased emphasis on law enforcement activities. This is evidenced by the President's South Florida task force, a group designed to combat the illegal drug trade.

BUY AMERICA WAIVERS

Question. As you know, the Surface Transportation Assistance Act provides that the Secretary of Transportation may grant a waiver of the Buy America requirement upon a finding that such requirement would be inconsistent with the public interest. As the Secretary of Transportation, what criteria would you apply or what factors would you consider in making such a decision?

Answer. Because the new Buy America provision is effective immediately, interim regulations will govern its applicability to the highway and transit programs while public comments are sought on final regulations. Criteria for the "public interest" waiver is one of the issues on which we will welcome public comment. Under prior Buy America provisions, cost, red tape and delay resulting from imposition of the requirements were among those factors considered in determining whether a "public interest" waiver is appropriate.

ALASKAN OIL EXPORTS

Question. During Prime Minister Nakasone's recent visit, there were several reports in the news media suggesting renewed interest by the Federal Government in exporting Alaskan oil to Japan. Do you favor a change in the Export Administration Act which would allow Alaskan North Slope oil to be exported to Japan or other nations?

What effect would you see this having on the U.S. merchant marine?

Answer. The impact on the maritime industry of lifting the ban on Alaska crude oil would depend on a number of factors, including the timing of the change, how much oil actually ends up being exported, and the particular arrangement of the export. Until I have reviewed the benefits and costs associated with any specific proposed change in the Act, I would like to reserve judgment as to its desirability and the impact of that proposal on the domestic tanker industry.

QUESTIONS OF THE MINORITY AND THE ANSWERS THERETO

QUALIFICATIONS TO BE SECRETARY

Question. While you have had much experience in the Federal Government, both in the Executive Branch and in an independent agency, you have had little specific experience with transportation. What do you believe makes you qualified to be Secretary of Transportation? What unique expertise do you feel you could bring to that position?

Answer. I would bring diverse experience to the position of Secretary of Transportation. My career in public service extends over many years, and I have thorough and comprehensive experience in the Executive Branch, in the regulatory area, and in the legislative arena. In the Executive Branch, I worked at the Department of Health, Education, and Welfare as well as having two tours of duty at the White House: first, as Deputy Special Assistant to the President for Consumer Affairs in the Nixon Administration, and currently as Assistant to the President for Public Liaison. Following my first period of service at the White House, I was appointed a Commissioner on the Federal Trade Commission. At the Commission, I dealt extensively in the regulatory arena with emphasis on issues of concern to consumers and safety related matters. My experience as a lawyer and my work in developing private sector support for President Reagan's major legislative initiatives should prove beneficial.

While I do not consider myself, at least yet, as a transportation expert, I do believe that my background would be very useful in the position of Secretary of Transportation. At the White House, I have been involved with the major issues of the Reagan Administration that impact the Department of Transportation, including the need to manage the Federal Government more effectively and work out a more effective partnership with the private sector and state and local governments. As a result of my work with private sector leaders concerned with transportation—manufacturers; the construction industry; maritime, airline and railroad unions; industry associations in general and small and minority business organizations—I have been exposed to a number of the issues before the Department. These contacts should prove invaluable in my new position. With the significant regulatory responsibilities of the Department of Transportation, my regulatory background should also be very valuable.

CONCERNS OF OUTSIDE GROUPS

Question. In your past positions, you have had extensive contact with the various business interests and with State and local representatives. Are there concerns that have been raised by these groups which you believe could and should be dealt with by the Department of Transportation?

Answer. In the course of my past two years of service I have had extensive contact with many government officials and private sector leaders in the field of transportation. The issues which were raised that impacted on transportation were passed on to Drew Lewis' Department for action or were worked out jointly with the Department of Transportation.

If confirmed, I look forward to continuing my relationship with governmental and private sector leaders.

ROLE OF GOVERNMENT

Question. Much debate in recent years has centered around the appropriate role of the Federal Government in regulation and funding. In light of your past experience in Government, what do you believe to be the Federal Government's role in transportation? Is there an overall transportation policy which you believe the Department should be promoting?

Answer. The overall role of Government is to promote a safe and efficient transportation system operated primarily by the private sector. Thus, our programs and policies must free the private sector to efficiently meet the transportation needs to the maximum extent possible without compromising safety. For those functions which remain a Governmental responsibility, we must continue the sorting out process that we have begun to determine which level of Government can most effectively address the problems. Generally, transportation functions that are not national in nature should be returned to the state and local Government and associated Federal subsidies should be phased out.

TRANSPORTATION POLICY COORDINATION WITH STATE AND LOCAL GOVERNMENTS

Question. The Department of Transportation has an important role in dealing with the state and localities on transportation policy. What is your view of the Department's efforts in this regard? Are there areas in which the Department should promote cooperation among the various levels of Government?

Answer. The Department has worked closely with state and local government officials and their representatives in the development and implementation of legislation, such as the recently enacted Surface Transportation Assistance Act of 1982, and in the development and implementation of regulations. The Department of Transportation has been effective in dealing with states and localities. For example, the highway program has been one of the most successful and effective Federal programs, operating with a long tradition of shared Federal-state oversight. The tradition of the present Federal-aid highway program is one in which states are accorded full authority for project selection and implementation.

Areas in which the Department does and should continue to promote cooperation amoung the various levels of Government include transportation planning as well as research and development activities and implementation of Federal grant programs.

FUNDING TRENDS

Question. The Department administers various Federal funding programs affecting transportation, and the debate continues as to what the appropriate level of Federal funding for these programs should be. Are there existing programs administered by the Department for which Federal funding should be reduced or increased?

Answer. Appropriate funding levels are those which result in an efficient and safe transportation system. The President's program includes constraints based on national economic goals, and on concepts such as user payment for services rendered. The recently enacted increases in gasoline and airline ticket taxes are examples of the user fee philosophy in practice. These revenues are resulting in increased program levels for highways and transit and for airports and the air traffic control system. Those who benefit from such services pay a larger share of the costs of increased services.

Subsidy programs are examples of existing programs administered by the Department where funding levels should be changed. For example, when subsidies do not allow enough freedom for market forces to work, efficiencies are often lost as is the case in operating subsidies for mass transit.

Increases in funding have occurred, and will continue to occur, to assure safe transportation such as in rail and highway safety, and to continue effective operations, such as law enforcement and air traffic control. The Coast Guard's increased funding for more effective interdiction of drug traffic is a recent example. These changes are usually incremental and respond to needs as they arise and to changes of emphasis in an agency's priorities.

PRIORITY TRANSPORTATION ISSUES

Question. If confirmed as Secretary of Transportation, you could bring a new look to the many pending transportation issues. Are there programs being pursued at the Department which you would continue or discontinue? Are there initiatives which you would undertake as Secretary? What do you see as the priority issues for the Department?

Answer. This Administration has recommended a number of changes in the Department's programs, many of which have been carried out in the recently enacted highway, transit, airport and railroad legislation. However, I will be undertaking a thorough review of the Department's programs. As a result of this review, I may recommend some new initiatives and additional program changes.

Until I have completed my review of the outstanding transportation policy issues, I would hesitate to state specific priorities. However, my initial review suggests that the following are among the most important issues:

1. deregulating surface transportation, particularly the trucking industry,
2. implementing the Surface Transportation Assistance Act of 1982, to assure that we effectively and efficiently meet our critical highway and transit needs,
3. rebuilding the air traffic control system, including modernization of equipment and facilities, to assure continued safe and efficient air travel, and
4. maritime regulatory reform

TRANSPORTATION ECONOMIC REGULATORY REFORM

Question. As you know, in the past few years Congress has passed several pieces of regulatory reform legislation affecting four transportation modes: aviation, truck, rail, and intercity bus. Certain interests would like to see more deregulation and others more regulation. From your experience at the Federal Trade Commission, how would you characterize your regulatory philosophy? What is your view towards transportation regulation? What role would you like to see the Department play on this issue in the future?

Answer. I fully support the Administration's view that we should reduce the regulatory control exercised by the government over private business decisions. In transportation economic regulation, the Congress has taken major strides in the past few years in deregulation aviation and ground transportation. My understanding is that, as a result, we are seeing improvements in service, fares lower than they otherwise would have been, and greater efficiency in these modes of transportation.

I believe it would be in the public interest to take steps to deregulate transportation further, although we always need to be concerned with any short-term dislocations that may result. I anticipate that the Department and the Administration will be making legislative proposals toward this end in the near future.

IMPACT OF THE MOTOR CARRIER ACT

Question. One such piece of reform legislation was the Motor Carrier Act of 1980, which made major changes in the regulation of the trucking industry. What is your view toward the impact of the legislation on the trucking industry and its service to users and small communities? There has been some indication that the Department will be proposing further deregulation in this area. Do you feel that such legislation is appropriate and, if so, why?

Answer. Although it is difficult to separate the effects of regulatory reform from the impact of the recession on the motor carrier industry, I understand the evidence available to date indicates that reform is working. Shippers now have a greater choice of price and service options; rates more closely reflect carrier costs; and there has been no significant degradation of service to small communities.

With respect to the second part of your question, I support the Administration's view that regulatory relief and enhanced competition among motor carriers are the most effective means to promote an efficient motor carrier industry that is truly responsive to shipper and consumer needs. My staff and I will be carefully examining additional areas for further reform, and I anticipate that legislative proposals will be submitted soon.

STAGGERS RAIL ACT

Question. The Staggers Rail Act of 1980 provided an easing of regulation in order for the rail industry to improve its financial status. How do you feel that this legislation has been working? Certain shippers believe that amendments to this Act are necessary to ensure that its intent is being carried out. Do you agree with this assessment? What input would you see the Department having in this effort?

Answer. From everything I have heard, the ICC has been properly implementing the Staggers Act, and railroads and shippers are taking full advantage of the flexibility offered by the Act. Although it is difficult to separate the effects of the Staggers Act from the effects of the recession, my understanding is that the Staggers Act enhanced opportunities for railroads to respond competitively in weak markets by reducing rates and tailoring services to obtain traffic. I believe there is general agreement that the railroads are in better financial shape than they would have been without the Staggers Act.

I have heard that coal and some grain shippers are unhappy with the reforms as implemented, and would like some amendments made. There are thorny issues in rail regulation that I believe we should all monitor before proposing amendments, especially any weakening amendments to carve out areas of protection for specific categories of shippers.

ECONOMIC REGULATION

Question. It has been three years since we decided to abandon the economic regulation of the airline industry, and a number of people are now beginning to question the future of airline deregulation. Do you think airline deregulation has been a positive step? Can you foresee any instance in which we would need to reconsider our decision to deregulate the airline industry? Has deregulation played a part in the financial problems of the airlines?

Answer. I believe that airline deregulation has been a very positive step.

Like many other industries, the airline industry is unfortunately suffering the effects of the current recession. As the economy begins to recover, we anticipate that airline traffic will increase and the profit situation and employment in the airline industry will improve considerably. My understanding is that the industry itself does *not* believe that reregulation is the answer to its current difficulties. I would agree with that conclusion.

ORGANIZATION FOR TRANSPORTATION ECONOMIC REGULATION

Question. In recent days, much attention has been focused on the possibility of combining three existing independent transportation agencies into one agency to regulate transportation. Concerns have been raised about whether this is an appropriate time to take such an action in light of the uncertainty on the part of some about the future of deregulation. What is your view of this legislation and the concerns which have been raised?

Answer. I believe the most important and immediate need is to determine which functions of the independent transportation regulatory agencies should be eliminated or modified. After there is agreement on that subject, it will then be possible to see with much greater clarity what the proper organizational location of the remaining functions should be.

With respect specifically to the Civil Aeronautics Board, that agency is already scheduled to sunset on January 1, 1985, when the remaining functions will be transferred to the Department of Transportation. My present inclination would be to permit that statutory schedule to be completed.

ICC SUNSET

Question. There has been some discussion of sunsetting the Interstate Commerce Commission in the near future. What is your view of this proposal? Are there not still functions which the Commission should be performing?

Answer. As indicated in my response to Minority Question 11, I believe it is better to focus our attention on which of the present functions of the Interstate Commerce Commission should be eliminated and modified, and which should remain, before considering the question of "sunsetting" the Commission. I anticipate that there will still be important functions of the ICC remaining for the near future.

HAZARDOUS MATERIALS TRANSPORTATION SAFETY

Question. Much attention has been focused in recent years on the safety of hazardous materials transportation. Concerns have been raised about the insufficient Federal funding for enforcement and emergency response efforts and the lack of regulatory coordination and consistency between the Federal Government and the states and localities. Attempts were made last year to reduce the funding for the Department's activities in this area, a move which was opposed by Congress and the various interest groups. How do you view the Department's responsibility in this area? How should the Department promote a meaningful relationship with state and local governments in this area?

Answer. I consider transportation safety to be a paramount responsibility of the Department of Transportation. The shipment of hazardous materials poses significant special problems, and the Department plays a crucial regulatory role by administering a comprehensive body of uniform national transportation standards. State and local governments also bear important related responsibilities, however, and the creation of a constructive and effective partnership among the various concerned governmental entities represents a major challenge to us all. It is my view that the Department should play a leadership role in the development and maintenance of such a pertnership and I will explore and support all opportunities to enhance this important initiative.

AIR TRAFFIC CONTROL SYSTEM

Question. The air traffic control system has undergone significant change since the August 1981 controllers' strike, adversely affecting the safety and convenience of much of the public. What steps do you plan to take to ensure the redevelopment of this sytem, which is so important to the safe operation of aircraft in this country?

Answer. Steps are already underway to ensure the redevelopment of the air traffic control system. The air traffic control system was affected by the illegal strike by air traffic controllers on August 3, 1981. This strike resulted in the separation of 11,400 controllers.

The Department of Transportation (DOT) met its first milestone when it achieved 90% of pre-strike capacity by September 30, 1982. The next milestone is to attain 100% capacity by April of 1983. However, this level of capacity will still require some traffic restrictions and the use of supervisory personnel to control traffic.

By December of 1983, DOT hopes to reduce traffic restrictions to pre-strike types of traffic flow control although supervisory personnel will still be working traffic. The system should return to pre-strike capacity levels by July, 1984. Supervisory personnel will resume normal duties by that date.

As Secretary, I will work to see that all of these milestones are achieved.

USER CHARGE POLICY

Question. Secretary Lewis advocated enactment of the 5-cents-a-gallon Federal gasoline tax increase as a "user fee." During his tenure as Secretary of Transportation, he supported the adoption of a number of user fees to finance the operation and capital development of transportation projects. What is you position with respect to making the user pay for most transportation services?

Answer. I generally agree with Secretary Lewis' user fee policy. In essence, it is that Federal transportation outlays should be financed, wherever possible, through charges levied directly on the user or immediate beneficiary of the applicable Federal transportation service or facility rather than through general taxes levied on the population as a whole. Insofar as practicable and otherwise appropriate, charges on specific users should reflect the full Federal cost of the service or facility. Each individual user should pay according to the extent and character of his use. This policy should apply to all modes of transport, but especially to the freight modes where the users are typically profit-making, commercial companies. Exceptions to this policy should be made only on the basis of overriding national considerations and should be of as short a duration as possible.

SALE OF CONRAIL

Question. As you know, Congress passed legislation two years ago to facilitate the sale of Conrail as a rail entity in the private sector without further Federal susidy. How do you view the Department's future efforts in this area?

Answer. The Department of Transportation (DOT) has been very aggressive in its efforts to sell Conrail. An investment banking firm has already been hired and, with Conrail's cooperation, is developing information that will be useful to potential purchasers. DOT has been advised that Conrail's employees wish to acquire a controlling interest in the railroad. DOT has indicated that it will give full consideration to the employees' interests. Conrail became more attractive to potential purchasers on January 1, 1983 when it was relieved of its statutory obligation to provide commuter rail service.

I support the actions that DOT has taken to date and, if confirmed, I would be deeply involved in plans to sell Conrail. The Secretary of Transportation is a member of the United States Railway Association (USRA) and USRA determines whether Conrail is profitable. Furthermore, the Secretary is responsible for working with Conrail and the investment banker to actually arrange the sale.

AMTRAK REAUTHORIZATION

Question. This year Congress will again be reviewing Amtrak's reauthorization. What will be the Department's position on this reauthorization? How do you view

Amtrak's improvements in cost and operation efficiency since its last reauthorization?

Answer. The Department will support authorization levels adequate to continue the current national system, with the exception of any route that does not meet ridership and financial criteria set by Congress. While I am not familiar with the details, I understand that Amtrak has done a good job in improving cost and operational efficiency since its last reauthorization. I hope that the Department will continue to work with Amtrak to make even more progress in this area.

COAST GUARD FUNDING

Question. Secretary Lewis indicated strong support for Coast Guard funding. Will your policies with respect to Coast Guard funding be consistent, particularly in light of increased demands for drug enforcement?

Answer. I am committed, as was Secretary Lewis, to recommend funding for the Coast Guard at levels which will allow it to discharge all of its duties effectively. To this end, I will support the Coast Guard's requests for resources to employ the new major vessels, jet aircraft and helicopters which are currently being procured. At the same time, the onshore capital plant and the considerable current inventory of vessels and aircraft will be maintained and replaced as may be necessary to assure that the Coast Guard continues to provide the public those services which are essential to safe and effective use of the marine environment. Marine law enforcement by the Coast Guard has recently received added emphasis in the President's programs to control illegal drug trafficking and organized crime activities.

COAST GUARD USER FEES

Question. Congress has repeatedly rejected proposals for Coast Guard user fees. What will your policy be with respect to user fees for Coast Guard activities?

Answer. I believe that the concept of user fees can and should be applied to many services provided by the Coast Guard. Where identifiable individuals or groups benefit from a special government service, those individuals or groups should pay for that service. I realize that two draft user fee bills have met with resistance from the Congress, and that a number of concerns have been raised with regard to those bills. The Department is in the process of reviewing those concerns and preparing a revised, more modest bill which takes many of those problems into account and focuses on direct services. I look forward to working closely with the Members of this Committee.

TRANSPORTATION RESEARCH AND TECHNOLOGY

Question. The Department of Transportation has an important function in promoting transportation research and technology. Are there issues which you believe the Department should explore in this area?

Answer. Major portions of this country's transportation sector are operated by the private sector, and most support for transportation research and development properly comes from that sector.

I certainly agree that promoting research and technology is an important function of the Department of Transportation.

The Federal role in transporation research and technology must emphasize areas for which the Federal government has direct responsibility. These are primarily (1) direct government operating programs, such as the marine navigation programs of the Coast Guard and FAA's control of air traffic; (2) support for regulatory proceedings; (3) special areas directly required by statute; and (4) support for policy development.

I fully intend to support these activities which I see as representing an appropriate and important governmental role.

Questions of Senator Pressler and the Answers Thereto

SMALL COMMUNITY TRANSPORTATION SERVICE

Question. Transportation deregulation has caused a notable decline in service to small town and rural America. What will you, as Secretary of Transportation, do to ensure that this trend does not continue?

Answer. I assure you that I am aware of your concerns and that I will evaluate the impacts on small communities carefully before proposing further change.

Current evidence available to DOT does not indicate that transportation deregulation has caused a decline in service to these areas. For example, according to testimony received by this Committee, trucking service to small communities has not declined, and may have improved in certain areas. As far as airline service is concerned, while some towns have experienced reduced service frequencies—and I understand this is true in parts of South Dakota—service has increased overall to large, medium and small hubs. Not a single community with guaranteed service has lost it. Most rail shippers seem to be fairly satisfied with service under the reforms of the Staggers Act, including grain shippers in the Upper Great Plains. With bus service, the jury is still out but, based on Florida's experience, DOT expects small community service will not be a major problem.

DISCRETIONARY FUNDING FOR RURAL STATES

Question. Will you work to make certain that rural states like South Dakota receive their fair share of the 1.5 Billion dollars of discretionary funding made available through the Highway Trust Fund?

Answer. The Department recognizes the importance of transportation in rural areas. Within the discretion afforded the Secretary by the statute, the Department will work to assure that rural areas get their fair share.

TRUCK PRODUCTIVITY AND USER TAXES

Question. The recently passed gas tax/highway bill included uniform weight and length provisions to help the trucking industry pay for the increased taxes. I ask that you work closely with the states to make certain that they comply with these provisions as soon as possible so that truckers have the opportunity to realize an increase in productivity necessary to pay the tax.

Answer. The Department has already begun to work closely with the states in developing criteria for selecting highways on which the truckers may operate and in setting realistic timeframes for implementing the provisions of the bill. DOT's implementation policy has been published in the Federal Register and a docket has been established to receive comments from interested and affected parties to ensure consideration of all relevant issues.

QUESTIONS OF SENATOR GORTON AND THE ANSWERS THERETO

MARITIME REGULATORY REFORM

Question. In the 97th Congress I introduced a bill to revise the Shipping Act of 1916 to reinstate antitrust immunity for carrier conferences and to streamline the role of the Federal Maritime Commission in regulating conferences. I will reintroduce this legislation in the 98th Congress. Will you continue the Administration's support for this legislation?

Answer. As the Administration's spokesperson on maritime affairs, I can assure you of the Administration's continued support for regulatory reform for the ocean liner industry.

UNCTAD CODE

Question. The United Nations Conference on Trade and Development has proposed a Code of Liner Conduct which would reserve 80 percent of cargo for flag vessels of two direct trading partners. If this code is ratified as expected, will you oppose this cargo reservation? If so, do you have any ideas on how the United States should enforce our policies against cargo reservation?

Answer. The Administration continues to believe that anticompetitive bilateral cargo sharing regimes are not in our national interest because, as a major trading nation, we benefit from open and competitive markets for goods and services. Additionally, the Administration has reaffirmed its intention to resist cargo reservation regimes in our ocean trades. Our resistance, however, will be tempered by realism and the necessity of protecting our carriers' interests as well as our shipper and general trading relationships.

As you may know, a special interagency group has been established to implement this policy and has been meeting regularly to develop U.S. responses to particular cases. I can assure you that I will be following these developments closely.

CAMPBELL REPLACEMENT

Question. Last spring the Coast Guard decommissioned the cutter CAMPBELL, which was located in Port Angeles, Washington. Loss of the CAMPBELL without replacement means the loss of Coast Guard functions such as search and rescue and fishery patrols that are vital to the Northwest. Do you have any comments on the prospects for replacing the CAMPBELL without delay with another cutter to be permanently stationed in Port Angeles?

Answer. The Coast Guard is reviewing homeport options for relocating some of their ships on the West Coast. These options include Port Angeles. The outstanding community support and attractiveness of the area for the Coast Guard crew is acknowledged. Search and rescue and fisheries patrols are being conducted by cutters from other West Coast ports. The Coast Guard Air Station and 82 foot patrol boat at Port Angeles will continue to provide essential search and rescue services to the immediate areas as well.

AUTOMATIC CRASH PROTECTION

Question. In 1981 the National Highway Traffic Safety Administration rescinded its rule requiring automatic crash protection in cars. The U.S. Court of Appeals overturned the Traffic Safety Administration's decision, and the Administration petitioned the Supreme Court for review. I am troubled that the Administration is continuing to battle implementation of this rule, which I regard as highly beneficial. In the last session of Congress, I co-sponsored Senator Danforth's bill which would require automatic crash protection in new cars. As Secretary of Transportation, what will you do to see that our cars are safer? Will automatic crash protection be part of your program?

Answer. I am deeply committed to the goal of improving highway safety, and I look forward to becoming personally involved in the Department's programs to encourage safety belt usage and to combat drunk driving. I believe that the solution to the problem of highway deaths and injuries cannot rely upon a single approach but must include making the drivers safer, the cars safe, and the roadway itself safe.

With respect to your question regarding automatic crash protection, I understand that the National Highway Traffic Safety Administration has been actively negotiating with manufacturers to gain their commitments to continue developing advanced occupant restraint technologies and to offer some air bags as options. The General Services Administration has also agreed to undertake a demonstration program by specifying air bags as equipment on some of the cars which it purchases for Government use. I understand that on January 21, 1983, Mercedes-Benz announced that a driver-only air bag safety system will be introduced as an option in the United States and Canada for some 1984 models. I am pleased to see this successful first step toward making air bags available to those consumers who wish to purchase them.

Since the agency's action is now before the Supreme Court, I do not believe it would be appropriate for me to comment on the details of the action at this time.

INTERSTATE ROUTE 90 LIDS

Question. The completion of the Interstate 90 project is very important to my constituents in Washington State, particularly in the Puget Sound area. A vital part of the project is the construction of the lids over part of the I-90 project. My constituents have always felt that construction of the lids was mandated by a combination of court and environmental requirements. I hope that you will recognize these lids as a legitimate part of the project and that you will look favorably on including this important element of the project in the 1985 Interstate Cost Estimate (ICE).

Answer. I understand that DOT considers construction of the lids as a legitimate part of the Interstate 90 project in Seattle. It has been determined that two of the lids on the I-90 project are the type of features that are eligible for funding with Interstate 4R funds. This category of Interstate funds was created by the 1981 Federal-Aid Highway Act and provides funding for project features, such as two of the lids on I-90, which are determined to enhance the project. The amount of Interstate 4R funds to be made available has been greatly increased under the 1982 Surface Transportation Assistance Act. The State has asked reconsideration of the category of funds which may be used. The Federal Highway Administration is currently reviewing their appeal.

A third lid on I-90 at Luther Burbank Park was found necessary in order to provide replacement park land for the land taken by the I-90 project. In this case another category of funds, Interstate construction funds, were approved to finance the lid, a necessary project feature.

DISCRETIONARY FUNDS FOR INTERSTATE ROUTE 90

Question. Is it true that the $300 million per year of discretionary funds are intended specifically to assist high cost projects such as I-90? Does this mean that Washington will receive more than its normal apportionment in order to proceed expeditiously with I-90?

Answer. The provision of $300 million per year of Interstate discretionary funds was intended to give priority to use of the funds to projects for completion of segments such as Interstate Route 90 in Seattle which are not open to traffic.

The Federal Highway Administration (FHWA) has issued guidance which outlines the procedures that will be followed in allocating the Interstate Discretionary funds to qualifying States. In order to qualify, a State must have obligated substantially all of the Interstate construction funds apportioned to that State and must have a ready-to-commence project. At the present time, FHWA is allocating discretionary funds to qualifying States that apply and have "high cost projects which directly contribute to the completion of an Interstate segment which is not open to traffic."

In answer to the second part of your question, if Washington is found to qualify and is allocated Interstate discretionary funds for the I-90 project, these funds would be in addition to its normal apportionment of Interstate construction funds.

ALASKA RAILROAD TARIFF

Question. The Alaska Railroad has filed a tariff which would divert Alaska-bound cargo from Puget Sound ports to Vancouver, B.C. This transportation would use foreign flag ships and foreign crews in direct competition with non-subsidized U.S. owned and operated shipping companies transporting goods between the State of Washington and Alaska. Do you think, as a matter of policy, that this Administration should promote the use of foreign shipping companies to engage in domestic commerce where the result will be increased unemployment in the United States?

Answer. The Alaska Railroad has traditionally interchanged freight traffic with any maritime carrier serving Alaska. In the normal course of business, the Alaska Railroad's rate bureau filed the tariff as part of its intermodal traffic program. Management viewed the tariff solely as a revenue matter.

Question. I assume that the decision by the Alaska Railroad, which is an agency of the Department of Transportation, to file this tariff was made without the knowledge of top policymakers. The timing is critical because necessary filings with the ICC have been made and service could start within a matter of days. Would you take a look at this situation and see what can be done to rectify it before we are faced with a fait accompli? I have also sent you a letter asking for a meeting on the subject.

Answer. Subsequent to the filing, certain questions, such as the one you have posed, have arisen with respect to the tariff. DOT considers that more time is needed to coordinate the multimodal policies involved and, accordingly, has instructed the Alaska Railroad to withdraw the tariff for the present.

QUESTIONS OF SENATOR HOLLINGS AND THE ANSWERS THERETO

NATIONAL AIRPORT

Question. National Airport has continued to generate a great deal of controversy in the areas of safety, noise control, landing slots, and ground access, among others. As Secretary of Transportation, how do you plan to address these recurring problems?

Answer. For the most part, the Metropolitan Washington Airports Policy issued by Secretary Lewis in November 1981 has been successful in reducing the controversy surrounding National Airport. The Policy limits the number of flights per hour at National and the hours at which they may operate, restricts nonstop flights to 1,000 miles, and prohibits noisier aircraft from operating at night. These restrictions at National are designed to encourage greater use of Dulles International and Baltimore-Washington International Airports.

To encourage use of Dulles, the Policy waives landing fees there, accelerates the construction of the Dulles access road, and provides for improved public transportation to the Airport.

The major issue right now is how to limit congestion at National Airport and allocate take-off and landings, called "slots", among air carriers and commuter air carriers. While I cannot offer a quick fix solution to the slot issue, I have no immediate plans to alter Drew Lewis' recent decision not to create an auction to sell slots.

I can assure you that I will monitor the slot allocation issue closely.

TRUCK STRIKE

Question. Earlier this week, several hundred independent truckers came to Washington to protest the higher truck taxes enacted as part of the gas tax legislation. On January 31, the Independent Truckers Association has called for a nationwide shutdown for the same purpose—that is, seeking tax reductions. What steps are you planning to resolve this potentially volatile issue?

Answer. The Department has taken two steps which I support to deal with the potential owner-operator shutdown:

1. *Dissemination of accurate information.* Much of the unrest apparently results from misinformation on the provisions of the Surface Transportation Assistance Act. The Department has been meeting with owner-operator representatives and disseminating information at truck stops and through the media on the provisions of the Act and how it affects owner-operators.

2. *Statement of actions the Department is planning to take.* Secretary Lewis has issued a bulletin to truckers which is being widely disseminated and which indicates the number of positive actions that the Department will take. I support those actions which include:

Working with Congress toward uniformity in state regulations and registration.

Speeding up the report that Congress has required on a fair and equitable collection system, giving full consideration to the truckers' views.

Continuing to meet with responsible owner-operator representatives to hear their concerns.

COAST GUARD RESOURCES TO COMBAT ILLEGAL DRUGS

Question. As you know, in South Carolina and all along the Atlantic and Gulf coasts, we're literally swamped with smuggled drugs. Perhaps one of the most serious consequences of this is the moral degradation of our coastal communities as a result of increasing contacts with organized crime. What do you intend to do to provide the Coast Guard with the resources, especially the sophisticated surveillance gear, to combat this influx of illegal drugs?

Answer. The national drug problem has been given special attention by the President. In the task forces recently authorized by the President and being established by the Attorney General, the link between organized crime and drug traffic, a major source of its revenue, is clearly made. Efforts to enforce the law and rid the society of drug dealers has my full support and the commitment of the Department. The Federal Aviation Administration and the Coast Guard are involved in these efforts. The Coast Guard has an active program underway to continue maritime drug interdiction and improve its capabilities. This improvement will include procurement of new vessels, additional aircraft, shore support and surveillance equipment.

Equally as important, under the Cabinet Council on Legal Policy, extensive analyses of all aspects of drug supply reduction have been made and increased cooperation and coordination between agencies, including Coast Guard, is underway.

In short, I am fully committed to support the President's program to curtail and eliminate the drug trade. Coast Guard will continue to be a major actor in this effort.

COAST GUARD—SOUTH FLORIDA DRUG SMUGGLING ACTIVITIES

Question. During the last year or so there has been a heavy concentration of law enforcement efforts devoted to drug smuggling activities in South Florida. This has come about not as a result of an improved budget for the Coast Guard but through shifting existing forces from other areas. Up and down the Atlantic Coast we have heard reports of increased smuggling in the areas where Coast Guard patrols used to be. Do you have plans to deal with this shift in smuggling to other states as a result of concentrations in Florida?

Answer. The South Florida Task Force, which was organized and directed by the Vice President, has been exceptionally successful. Crime in that part of the southeastern United States has been dramatically reduced, and drug related activities severely curtailed. We can all be proud of this successful effort in law enforcement.

We are and will continue to improve Coast Guard's capabilities as already funded procurement of new vessels, jet aircraft and helicopters come into the inventory this year and next. This will help to replace capability temporarily diverted from other law enforcement functions, such as fisheries patrols.

The Coast Guard is participating in the concerted effort by Federal and State agencies to eliminate drug traffic wherever it is found. Our plans also include continued interdiction support for the Task Forces being established nation-wide by the Attorney General, increased interdiction of drugs entering the United States as Coast Guard's increasing capabilities are brought on line, and continued assessment of Coast Guard's capabilities.

USER FEES

Question. You indicate in answers to Committee questions that transportation modes should pay for their use, except where "overriding national considerations" exist. Would you elaborate on this qualification? What would be a situation in which you would oppose a user fee?

Answer. In most of the transportation sectors the users of the system are the beneficiaries, and they should pay for the benefits received. However, in certain circumstances like mass transit, the population at large benefits from the service. For example, transit leads to reductions in air pollution and energy consumption, and facilitating commerce in the major metropolitan areas. Because the non-user benefits, it is appropriate that transit be funded, in part, from general funds.

REGULATORY REFORM

Question. In answer to Committee questions, you indicate an intent to propose further deregulation of the transportation sector. In light of the uncertain condition of the economy and the disruption which the transportation industries are experiencing, do you not feel that maintenance of the status-quo could help to minimize further dislocations in the transportation sector, at least in the short term?

Answer. I do believe further deregulation would be in the public interest and I expect we will be making legislative proprosals toward this end in the near future, but we have not made final decisions on what will be proposed or what the timing would be.

Clearly the transportation industries are suffering from traffic declines and financial losses caused by economic conditions. We will remain mindful of that as we develop our legislative proposals.

RESCISSION OF PASSIVE RESTRAINT RULE

Question. Do you agree with the decision of the National Highway Traffic Safety Administration to rescind the passive restraint standard?

Answer. I have confidence in the rulemaking process which resulted in the National Highway Traffic Administration's decision to rescind the requirements for the installation of automatic restraints in the front seating positions of passenger cars. Of course, I should point out that I am not familiar with all the specifics which led to the rescission of the rule. In addition, since the agency's action is now before the Supreme Court, I do not believe it would be appropriate for me to comment on the details of the action at this time.

DOMESTIC CONTENT LEGISLATION

Question. What is your position on automobile "local content" legislation?

Answer. I strongly oppose domestic content legislation as does the President. The legislation would not help the U.S. auto industry over the long run. It would be costly to consumers, would jeopardize new foreign investment in the United States and would cause serious international trade repercussions. It would, in fact, probably result in a net loss of jobs as other countries cut off our products and as these jobs presently dependent on auto imports dried up. Finally, I am nor convinced that a domestic content requirement would actually be workable. With the exception of Australia, no developed auto-producing nation currently imposes such a requirement.

Nevertheless, I am sensitive to the serious problems that have been experienced by the automobile industry in recent years. The Administration has taken a number of steps to help the industry during this period, and I will work within the Cabinet to further these policies. In this regard, I am encouraged by the recent improvement in sales of domestic automobiles. I expect this trend to continue as the economy improves.

DRUNK DRIVING

Question. Do you believe that the Federal Government has a role in combatting the drunk driving problem?

Answer. Yes, I believe the Federal Government should continue to take an active part in the current campaign against drunk and drugged driving. With the guidance and support of President Reagan and my predecessor, Drew Lewis, the Federal program has gotten off to a good start. National Drunk and Drugged Driving Awareness week, December 12-18, 1982, was very successful and a large number of States issued similar proclamations. Over the recent holiday period the National Highway Traffic Safety Administration (NHTSA) conducted an extensive anti-drunk driving campaign directed to the media. Shortly NHTSA will issue a final rule that will further promote the development of efffective programs to combat the problem of drunk driving. I see the Department of Transportation's future role as one of leadership and coordination as the States implement their programs to combat drunk and drugged driving. We must continue and help build on the current wave of public opinion that drunk driving must be stopped—now—once and for all.

SPEED LIMIT LAWS

Question. Do you believe the states should be allowed to set their own speed limit laws?

Answer. I believe that the 55 mph speed limit makes sense in congested and densely populated areas. I can understand, however, that the 55 mph limit might be viewed as unnecessarily low in less densely populated areas. If Congress decides to repeal the 55 mph speed limit, the Administration would support that legislation.

The Surface Transportation Assistance Act of 1982 requires the Secretary of Transportation to arrange with the National Academy of Sciences for a comprehensive study and investigation of (1) the benefits, both human and economic, of the 55 mph National Maximum Speed Limit, and (2) whether the laws of each State constitute a substantial deterrent to violations of the maximum speed limit. The National Academy of Sciences is to report to the Secretary and the Congress within a year after enactemnt of the Act. I look forward to reviewing their conclusions with an open mind.

AUTOMOTIVE FUEL ECONOMY STANDARDS BEYOND 1985

Question. You are perhaps aware that the automotive fuel economy standards established by the Congress in the mid-seventies extend through model year 1985. Should Congress enact legislation to establish standards for the decade after 1985 or should market forces be relied upon to pace the industry's continued development of fuel efficient automobiles?

Answer. As a matter of both principle and practice, I believe we should rely on the market forces to pace the U.S. automobile industry's development of fuel efficient automobiles. In principle, such government interference in the market place is inefficient, leading to higher costs for the manufacturer and the consumer. In practice, we found in 1979 that the measured pace of development mandated by the pre-1985 fuel economy standards was inadequate to meet a sudden shift in consumer demand and that the industry responded more swiftly to market forces than it had done to Federal regulation. I believe that government should concentrate on creating the economic conditions under which the industry gains the strength and flexibility to respond to public demand. I do not believe legislation is necessary to establish fuel economy standards beyond 1985.

QUESTIONS OF SENATOR INOUYE AND THE ANSWERS THERETO

CDS REPAYMENT FOR JONES ACT TANKERS

Question. It has been said that replacement of old vessels with new vessels in domestic shipyards without benefit of CDS is a major problem for domestic operators and requires the most careful long-range planning.

Domestic operators must plan their fleets solely on the basis of the limited opportunities in the domestic trades, because vessels built in the United States without CDS are generally non-competitive in the foreign trades.

Thus, it is contended, the possibility that CDS-built vessels engaged in foreign trade may suddenly be transferred to domestic trades upon repayment of CDS raises the further possiblity that domestic operators will be discouraged from making the huge investments required to maintain modern and efficient operations.

If CDS-built vessels are permitted to engage in unrestricted domestic trade operations upon repayment of CDS, won't this pose a threat to the unsubsidized operators by placing them in a noncompetitive position?

Answer. A Notice of Proposed Rulemaking on the issue of allowing CDS-built tankers to repay their CDS, with interest, and thereby gain entry into the domestic trade on a permanent basis has been instituted by the Department. Interested parties will have 60 days from publication to submit their views to the Department on this important issue. We will look at the comments carefully before reaching a final decision.

ORGANIZATION FOR TRANSPORTATION ECONOMIC REGULATION

Question. Would the Department support legislation which would combine the ICC, the FMC, and the CAB into a single regulatory commission?

Answer. I believe the most important and immediate need is to determine which functions of the independent transportation regulatory agencies should be eliminated or modified. After there is agreement on that subject, it will then be possible to see with much greater clarity what the proper organizational location of the remaining functions should be.

With respect specifically to the Civil Aeronautics Board, that agency is already scheduled to sunset on January 1, 1985, when the remaining functions will be transferred to the Department of Transportation. My present inclination would be to permit that statutory schedule to be completed.

TARIFF FILING FOR MARITIME TRAFFIC VIA CANADIAN PORTS

Question. The laws and policies governing the regulation of the U.S. international waterborne liner trades are intended to ensure that our trades are open, and the cargo is available to all vessel operators on a fair and equitable basis.

To help ensure this objective, those laws also require that these liner operators file tariffs with the FMC as to all cargo originating or terminating in the United States, i.e., U.S.-cargo. Thus, the rates charged by any operator are public information available to any actual or potential competitor.

Because of a loophole in the law, however, the ocean part of a U.S. cargo through movement may begin or end in Canada, and the vessel operator does not have to file a tariff with the FMC.

Thus, if a vessel operator sailing from Montreal wishes to compete for cargo moving from Chicago to Liverpool, England, the rate he charges the shipper cannot be known to his competitor who operates from a U.S. port. Whereas the rate charged by the vessel sailing from a U.S. port is known because his tariff must be filed with the FMC.

Under the circumstances, isn't it accurate to say that this through cargo is not available to all vessel operators on a fair and equitable basis even though it originates or terminates in the U.S.?

Answer. This is an extremely complex problem that arises because of the different regulatory treatment of tariffs for intermodal shipments provided by Canadian and U.S. law. The Administration believes it would be particularly difficult to resolve it by attempting to regulate intermodal movements existing or entering Canadian ports, both because of the extension of U.S. regulatory jurisdiction into Canada which would be involved and because of the concomitant enforcement difficulties. We believe there would also be a risk of serious foreign relations problems. Given the intricacies of the issues involved, I would like to study the matter further before responding in detail.

EARLY TERMINATION OF ODS CONTRACTS

Question. An explicit goal of government promotion of the merchant marine is the provision of U.S.-flag shipping services "on all routes essential for maintaining the flow of foreign commerce of the United States." This objective has been achieved through the "essential trade route" concept which requires a subsidized liner operation to commit to long-term regularly-scheduled common carrier services between designated U.S. and foreign ports.

Proposals are now pending before the Maritime Administration Subsidy Board for the government to terminate existing operating differential subsidy contracts (ODS) by paying a specified amount to the vessel operator holding the contract, i.e., a "buy-out".

(a) Would these "buy-outs" by the government relieve the vessel operator of his ODS contractual obligation to provide regularly-scheduled common carrier services betwen the U.S. and foreign ports designated in the contract?

(b) If so, what assurance is there that there will be U.S.-flag shipping services "on all routes essential for maintaining the flow of foreign comerce of the United States"?

Answer. I have been advised by MARAD that it has one application pending to terminate an operating-differential subsidy agreement. Crowley Maritime Corporation filed such an application for Delta Steamship Lines, Inc. Crowley proposes, among other things, for Delta to provide at least a specified minimum level of service in the U.S. foreign commerce for a period of five years. The application is currently pending consideration in a Maritime Subsidy Board/Maritime Administration proceeding. One issue in that proceeding concerns the service Delta is to provide after the proposed termination. A final decision on that application, or any similar application, will carefully consider all policy issues, including the statutory objective of creating a merchant marine "to provide shipping service essential for maintaining the flow of foreign commerce of the United States."

TARIFF FILING REQUIREMENTS FOR OCEAN CARRIERS

Question. Present law requires that liner vessels in the U.S. international waterborne trades file tariffs with the FMC; the law requires the FMC to ensure adherence to those tariffs, and prescribes severe penalties for illegal rebates. Under the rubrics of "competition" and "deregulation" some have advocated abolition of these requirements and penalties.

What are your views?

Answer. Last year the Administration supported legislation that would have maintained the existing requirement that all ocean liner tariffs be filed with the Federal Maritime Commission. The Administration originally recommended to Congress that tariffs be published by private, commercial tariff-publishing agencies rather than filed with the FMC. The private publication of tariffs is a practice that is used extensively overseas and would reduce the Federal Government's role in this area while ensuring that shippers are protected.

DOMESTIC OFFSHORE WATERBORNE LINER TRADES

Question. There have been reports that the Administration will submit a proposal to deregulate our domestic offshore waterborne liner trades.

(a) Is this so?

(b) If it is, will the proposal take into account the lack of competition in the Hawaii-Mainland trade, and the improbability that any unsubsidized competition will emerge?

(c) As part of a domestic deregulation proposal, is the Administration considering waiving or loosening the Jones Act requirements or easing the prohibitions against entry for subsidized vessels?

Answer. (a) Yes, I believe that it is necessary to deregulate the domestic offshore trades. Administration support for this proposal was one of the initial elements of maritime policy announced last year.

(b) Last spring, the Department recommended to the Federal Maritime Commission (FMC) that it eliminate its regulation of the level of domestic offshore rates. We believe that this regulation does not encourage competition or help to maintain efficient and reliable service. Recently, the FMC decided that they do not have the authority to eliminate this regulation and the Chairman of the FMC, Alan Green, Jr., recommended to Congress that this authority be revoked. Chairman Green noted that their regulation has "historically proved troublesome for the Commission, cumbersome and expensive for both carriers and shippers."

We believe that such deregulation would serve the best interest of shippers, U.S.-flag operators and consumers, and I look forward to working with Congress on this issue.

(c) This Administration has no plan to revise the Jones Act and on the contrary recently reaffirmed the sanctity of the Jones Act. Except for the consideration of the Notice of Proposed Rulemaking referred to in response to your Question #1, no consideration is being given to easing the prohibitions against domestic trading by vessels built with construction subsidy.

CARGO PREFERENCE FOR BULK SHIPMENTS

Question. What are your views on extending the scope of our dry-bulk cargo preference laws, as a means of promoting ship construction in U.S. shipyards?

Answer. I am concerned about the health of our shipbuilding industry and recognize the importance of maintaining a sound shipyard mobilization base. Increased construction, conversion, and activation of combatant and auxiliary vessels are helping. I intend to look closely at ways to make our shipyards more competitive. At the same time, we must not do anything which might jeopardize the competitiveness of U.S. products in international markets.

QUESTIONS OF SENATOR FORD AND THE ANSWERS THERETO

ORGANIZATION FOR TRANSPORTATION ECONOMIC REGULATION

Question. There have been proposals to eliminate the Interstate Commerce Commission. If the Commission was abolished, many of the regulatory functions would still require some government review. Would you support transferring these functions to the DOT or would you support the creation of a super transportation agency?

Answer. I believe the most important and immediate need is to determine which functions of the independent transportation regulatory agencies should be eliminated or modified. After there is agreement on that subject, it will then be possible to see with much greater clarity what the proper organizational location of the remaining functions should be.

With respect specifically to the Civil Aeronautics Board, that agency is already scheduled to sunset on January 1, 1985, when the remaining functions will be transferred to the Department of Transportation. My present inclination would be to permit that statutory schedule to be completed.

SHELBYVILLE, IND., PASSENGER SERVICE

Question. It is my understanding that Conrail is now considering selling the direct Indianapolis-Shelbyville-Cincinnati line. The line is now partly out of service and Conrail may end service on the key Indianapolis-Shelbyville segment as of March 1, 1983. A private-sector group has been trying to acquire the line, but has received no cooperation from Conrail even though Conrail's enabling legislation encourages private-sector acquisitions. Conrail is demanding over $8 million for the line, plus continued exclusive freight rights. I am particularly concerned about the lack of action because upgrading the line for passenger service would further improve the performance of Amtrak's "Cardinal." The performance of the "Cardinal" has already improved dramatically, rising from 58.9 passenger-miles-per-trainmile (PMTM) in fiscal year 1978 to 140 PMTM in fiscal year 1982. The fiscal year 1983 DOT Appropriations Act requires Amtrak to set aside $25 million for upgrading the line, but it appears that nothing may come of this in the absence of forceful action by you. Would you please investigate and comment on this matter?

Answer. In compliance with the fiscal year 1983 Transportation Appropriation Act, Amtrak has reserved $25 million of its fiscal year 1983 appropriation to rehabilitate the Shelbyville line, should the line be acquired by a state or local group. Conrail has agreed to provide freight service over the line until June 18, 1983. I should also point out that in response to a specific congressional directive to study the extension of Amtrak's Chicago-Indianapolis service—the Hoosier State—to Cincinnati over a new route serving Shelbyville, a joint DOT-Amtrak report concluded in October 1982 that the route would not meet minimum ridership and cost criteria set by law. The study did not address operation of the "Cardinal" over the line.

OPERATION OF AIR TRAFFIC CONTROL TOWERS BY CONTRACTORS

Question. Recently, the FAA reopened the Farmington, New Mexico airport traffic control tower under an experimental arrangement of contracting out the operation of the tower. Three other communities (Hobbs, New Mexico; Enid, Oklahoma; and Ownesboro, Kentucky) have been contracting for air traffic control services since the FAA temporarily closed these facilities in 1981. I would appreciate your considering adding other communities to the pilot program since the experiences in all of the communities have proven the funds are saved when private contractors are used. Reopening many of the towers closed due to the air traffic controllers strike will certainly enhance safety in the entire system.

Answer. I know as part of the FAA's effort to accomplish its responsibilities for ensuring air safety, promoting air commerce, and supporting national security in a cost-effective way, it is considering the feasibility of contracting out the operation of selected FAA control towers. A pilot program funded by the FAA has been established using the FAA control tower at Farmington, New Mexico. I will be pleased to consider whether the program should be expanded after the pilot program is evaluated carefully.

Questions of Senator Heflin and the Answers Thereto

GASOLINE TAX

Question. Secretary Lewis advocated enactment of the 5-cent-a-gallon Federal gasoline tax increase as a "user fee." During his tenure as Secretary of Transportation, he supported the adoption of a number of user fees to finance the operation and capital development of transportation projects. What is your position with respect to making the user pay for most transportation services?

Answer. I generally agree with Secretary Lewis' user fee policy. In essence, it is that Federal transportation outlays should be financed, whereever possible, through charges levied directly on the users or immediate beneficiaries of the applicable Federal transportation service or facility rather than through general taxes levied on the population as a whole. This policy should apply to all modes of transport, but especially to the freight modes where the users are typically profit-making, commercial companies.

COAST GUARD FUNDING

Question. Secretary Lewis indicated strong support for Coast Guard funding. Will your policies with respect to Coast Guard funding be consistent, particularly in light of increased demands for drug enforcement?

Answer. I am committed, as was Secretary Lewis, to recommend funding for the Coast Guard at levels which will allow it to discharge all of its duties effectively. To this end, I will support the Coast Guard's requests for resources to employ the new major vessels, jet aircraft and helicopters which are currently being procured. At the same time, the onshore capital plant and the considerable current inventory of vessels and aircraft will be maintained and replaced as may be necessary to assure that the Goast Guard continues to provide the public those services which are essential to safe and effective use of the marine environment. Marine law enforcement by the Coast Guard has recently received added emphasis in the President's programs to control illegal drug trafficking and organized crime activities.

COAST GUARD USER FEES

Question. Congress has repeatedly rejected proposals for Coast Guard user fees. What will your policy be with respect to user fees for Coast Guard activities?

Answer. I believe that the concept of user fees can and should be applied to many services provided by the Coast Guard. Where identifiable individuals or groups benefit from a special government service, those individuals or groups should pay for that service. I realize that two draft user fee bills have met with resistence from the Congress, and that a number of concerns have been raised with regard to those bills. The Department is in the process of reviewing those concerns and preparing a revised, more modest bill which takes many of those problems into account, including focusing on direct services. I look forward to working closely with the Members of this Committee on our legislation.

TRUCKING DEREGULATION

Question. One piece of reform legislation was the Motor Carrier Act of 1980, which made major changes in the regulation of the trucking industry. What is your view toward the impact of the legislation on the trucking industry and its service to users and small communities? There has been some indication that the Department will be proposing further deregulation in this area. Do you feel that such legislation is appropriate and, if so, why?

Answer. Although it is difficult to separate the effects of regulatory reform from the impact of the recession on the motor carrier industry, I understand the evidence available to date indicates that reform is working. Shippers now have a greater choice of price and service options; rates more closely reflect carrier costs; and there has been no significant degradation of service to small communities.

With respect to the second part of your question, I support the Administration's view that regulatory relief and enhanced competition among motor carriers are the most effective means to promote an efficient motor carrier industry that is truly responsive to shipper and consumer needs. My staff and I will be carefully examining additional areas for further reform, and I anticipate that legislative proposals will be submitted soon.

TRANSPORTATION RESEARCH AND TECHNOLOGY

Question. The Department of Transportation has an important function in promoting transportation research and technology. Are there issues which you believe the Department should explore in this area?

Answer. Major portions of this country's transportation sector are operated by the private sector, and most support for transportation research and development properly comes from that sector.

I certainly agree that promoting research and technology is an important function of the Department of Transportation.

The Federal role in transportation research and technology must emphasize areas for which the Federal government has direct responsibility. These are primarily (1) direct government operating programs, such as the marine navigation programs of the Coast Guard and FAA's control of air traffic; (2) support for regulatory proceedings; (3) special areas directly required by statute; and (4) support for policy development.

I fully intend to support these activities which I see as representing an appropriate and important governmental role.

CARGO PREFERENCE FOR BULK COMMODITY SHIPMENTS

Question. It is my understanding that legislation will be introduced early in this session in both the House and the Senate which would require a certain percentage of all bulk commodities for export and import to be carried on U.S.-flag vessels. I would like to know what your position will be on this type of "cargo preference" requirement if this legislation is introduced.

Answer. I am concerned about the health of our merchant marine, and restoring the competitiveness of our shipping industry will be one of my priorities. At the same time, we must recognize our role in world trade and be careful to avoid any actions which could interfere with the competitiveness of United States products in international markets.

QUESTIONS OF SENATOR LAUTENBERG AND THE ANSWERS THERETO

OPERATING ASSISTANCE FOR MASS TRANSIT

Question. In your written response to Minority Question #5, you express reservations about operating assistance for mass transit. These subsidies are essential if mass transit is to continue to be affordable for the 600,000 riders in New Jersey and the millions of mass transit users elsewhere. Authorization for operating subsidies was preserved in the Surface Transportation Assistance Act, although at 20 percent below fiscal year 1982 levels. Can you assure mass transit users that you will support funding of operating assistance at authorized levels, and that you will not seek further cuts?

Answer. In 1981, the Administration originally proposed the phase-out of operating assistance. This proposal was based on the belief that transit operating subsidies are not a proper role for the Federal Government because these subsidies may distort the local decisionmaking process concerning levels of service. Further, there is evidence that links Federal operating subsidies for transit to declining transit productivity and efficiency and rising unit operating costs. And, finally, because of the compelling need to restrain Federal spending, we must focus our limited Federal resources on the most effective programs.

Therefore, while we agree with the basic intent of the Surface Transportation Assistance Act of 1982, the Administration still believes strongly that Federal operating subsidies for transit should be phase-out.

SALE OF CONRAIL AS AN ENTITY

Question. You have expressed the desire to proceed aggressively with the sale of Conrail. It is important to the economy of the Northeast that Conrail not be broken up and sold in pieces. What steps will you take to ensure that Conrail is sold as a unit, to ensure that the region is served by the most orderly and comprehensive freight system feasible.

Answer. The following steps are designed to help prospective purchasers buy Conrail as a single entity.

1. The Department of Transportation has already hired an investment banking firm that is developing, with Conrail's assistance, information that will be useful to prospective purchasers.

2. The Northeast Rail Service Act (NERSA) relieved Conrail of excessive cost through the transfer of commuter services, allowed abandonment of uneconomic branchlines, and lifted the burden of labor protection payments.

3. Congress called for the United States Railway Association (USRA) to make two tests in 1983 concerning Conrail's profitability. If Conrail fails either of these two profitability tests, DOT must explore alternatives to the sale of Conrail as an entity. As Secretary, I would be a member of the USRA Board of Directors and be involved in making the Board's recommendations to Congress.

4. Conrail is currently operating profitably, the provisions of NERSA enhance its attractiveness as an acquisition candidate, and it is presently assumed that the railroad will be sold as an entity.

RESTORATION OF AIR TRAFFIC CAPACITY

Question. I understand that the Department is in the process of bringing the air traffic control system back to the levels that existed before the 1981 strike. The New York-New Jersey area, however, has lagged behind the rest of the nation in this effort. When will the New York-New Jersey area begin to achieve previous capacity levels and how do you expect to accomplish this?

Answer. The FAA Administrator has indicated that Kennedy and Newark airports will be 100 percent of prestrike capacity by April of this year, and LaGuardia is projected to be at 100 percent of prestrike capacity some time this summer.

AMTRAK SERVICE CHANGES

Question. Does the Department plan to propose any changes in service now provided by Amtrak? Does it plan to propose any changes in the way in which the costs of trains are allocated to various parties? What is the Department's approach to completing authorized projects in the Northeast Corridor Improvement Project?

Answer. The Department does not plan to propose any changes to the basic Amtrak system but will continue to press for discontinuance of routes which do not meet the Congressionally-mandated route performance criteria. The Administration is considering legislative changes to reduce the amount Amtrak pays in operating losses and related capital costs on the few local and commuter services operated by Amtrak and paid for in part by the States. In regard to the Northeast Corridor, it is our intention to complete the Project at the $2.19 billion funding level.

QUESTIONS OF SENATOR METZENBAUM AND THE ANSWERS THERETO

ANTITRUST EXEMPTION

Question. What is your general attitude with respect to exemptions from the antitrust laws for particular segments of industry?

Answer. The Administration believes that the antitrust laws should be applied vigorously unless it can be demonstrated that antitrust immunity is essential to achieve desirable national transportation policy objectives. With respect to international transportation, we must remain aware that other countries do not apply the rigorous antitrust standards we do, and our enforcement in our trades inherently clashes with opposing views of countries at the other end of our trades. Often, our laws end up falling unequally upon our own international carriers, over which we have the greatest ability to exercise jurisdiction. These carriers thus face a heavier burden, placing them at a disadvantage to their foreign competitors. For this reason, and comity, the Administration believes it is important to provide to our international carriers in large part the flexibility of rules which are similar to those other carriers face.

INTERNATIONAL MARITIME REGULATORY REFORM LEGISLATION

Question. Do you propose to offer any particular legislation dealing with the ocean carrier industry?

Answer. I believe there is a clear recognition that the U.S.-flag liner companies are operating in a regulatory environment that is largely incompatible with the maritime policies of our major trading partners. I believe that the Shipping Act of 1916 must be revised in light of the realities that our carriers face in competing with foreign-flag operators.

Legislative reform is the way to accomplish this goal and I intend to work very closely with the Congress to see that international maritime reform legislation is enacted.

ANTITRUST EXEMPTION FOR OCEAN CARRIERS

Question. Do you believe that the ocean carrier industry should be exempted from the antitrust laws? If so, should the exemption be broader, narrower, or about the same as current law?

Answer. Activities of ocean liner companies under approved agreements have been immunized from the antitrust laws since the Shipping Act of 1916 was enacted. The real problem facing U.S.-flag liner operators today is the fact that this immunity has been eroded over time through court decisions and administrative actions. I believe that there is a very real need to clarify this antitrust immunity and for Congress to reaffirm that strict reliance on the antitrust laws is incompatible with the operating practices that exist in international shipping today.

I look forward to working with Congress to accomplish that objective.

ANTITRUST EXEMPTION

Question. Do you believe there should be an antitrust exemption for exclusive agreements between airlines and travel agencies?

Answer. The question of antitrust immunity for airline and travel agent agreements just underwent extensive and thorough examination in a Civil Aeronautics Board proceeding. The Board ordered that the immunity for these agreements be phased out over a two-year period.

CARGO PREFERENCE FOR BULK COMMODITY SHIPMENTS

Question. Are there any other areas where you would support an exemption from the antitrust laws?

Answer. In general, I do not believe in granting antitrust immunity for domestic transportation, except where it can be demonstrated that the efficient interchange of freight or equipment between carriers require such immunity.

The CHAIRMAN. We do have two more witnesses, but we will just wait about a minute until the room clears out. I would ask that those who are leaving, leave in haste so that we can continue on with the hearing.

[Brief pause.]

The CHAIRMAN. Let's go on with the next witness. It is Mr. Vincent Tofany, the President of the National Safety Council.

Welcome, sir.

STATEMENT OF VINCENT L. TOFANY, PRESIDENT, NATIONAL SAFETY COUNCIL, WASHINGTON, D.C.

Mr. TOFANY. Good morning, Mr. Chairman and members of the committee.

As you pointed out, I am Vincent Tofany, President of the National Safety Council, a nonprofit, public service organization chartered by Congress to promote safety and health in the United States.

I am here today to strongly support the nomination of Elizabeth Hanford Dole to be the next Secretary of Transportation and to breifly present our views on key issues she will face.

We have worked actively with her and her staff over the last two years on such key issues as drinking and driving and the 55 mile-an-hour speed limit. Following an address by her to our annual meeting in 1981 we discussed with her the opportunity for positive action by the administration in a variety of areas. She quickly zeroed in on the issue of drinking and driving and was most helpful in the establishment of President Reagan's Commission on Drunk Driving on which I am pleased to serve as a member.

The interim report of the Commission was presented to President Reagan last month and represents a partial blueprint for progress on this national issue. One of the priority jobs facing the next Secretary of Transportation will be to make sure that these recommendations are implemented rather than, as with so many similar reports, collect dust on Washington bookshelves.

Whereas the drinking and driving tragedy is national in scope, its solution lies primarily at the State and local level and in the private sector. Secretary-designate Dole is thus I think uniquely qualified for this important task. In her responsibility as the Principal Assistant to the President for Public Liaison she has worked extensively with the range of private and public sector organizations that can be instrumental in carrying out the specific recommendations of the Commission.

I have attached to my full statement a list of the highlights of the Commission's interim findings.

I am pleased to report to the committee that the National Safety Council data indicates an estimated 11 percent drop in motor vehicle fatalities during 1982, at the same time total miles traveled by the American public increased 1 percent. Additionally, the nation has just experienced the safest three-day New Year's holiday since 1949. Undoubtedly the economy is a contributing factor. We hope, however, that the country is experiencing a societal and behavioral shift on drinking and driving as occurred following the advent of the 55 mile-an-hour speed limit in 1974. At that time you may recall there was a 16 percent drop in highway fatalities in significant part due to lowered speeds.

Indeed, we had discovered a behavior vaccine that substantially reduced the incidence of spinal cord injury, cut accident-induced epilepsy by 90,000 cases per year, added 1.5 years to the average span and significantly reduced worker fatalities.

Unfortunately, these important public health gains are in some jeopardy. At least one State will probably fail to meet the compliance criteria as established by this committee in the Budget Reconciliation Act of 1981. We are therefore pleased that in the new highway legislation the Congress has asked for a study of these and other benefits to be done by the National Academy of Science.

It is of importance to note that the maintenance and enforcement of the 55 mile-an-hour speed limit as well as increased use of occupant restraints were key recommendations to President Reagan from his Drunk Driving Commission. Attached to our statement also is a copy of our own information sheet outlining some of the other benefits relating to that speed limit.

We are confident based upon Mrs. Dole's demonstrated understanding of the drinking and driving issue that she will bring the same firmness of mind and attention to life-saving objectives of the 55 mile-an-hour speed limit, occupant restraints, sanctions, funding for enforcement and related aspects of these issues. Indeed, I believe her statement to this committee this morning and her answers to questions put to her reflects that attitude.

These are not the only issues facing the new Secretary of Transportation. We would hope that Secretary-designate Dole will take a comprehensive look at the overall issue of transportation safety in this country such as aviation, rail, marine, pipeline and transportation of hazardous materials and work to fully integrate these issues into the transportation policy of the government.

Again I was pleased to note that that is reflected somewhat in her statement and in her answers to the various questions from this committee.

It is the view therefore of the National Safety Council that her demonstrated competence and personal integrity will continue to serve the nation well in these new leadership responsibilities.

Thank you for the opportunity to present our views on this nomination and to read our entire statement in the record.

The CHAIRMAN. I have no questions.

Nancy?

Senator KASSEBAUM. No questions.

The CHAIRMAN. Paul.

Senator TRIBLE. No questions.

The CHAIRMAN. We have no questions at all.

Thank you for waiting for that long period of time while Mrs. Dole was on the stand.

Mr. TOFANY. It is important that we waited and we are pleased to have had the opportunity.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

[The attachment referred to follows:]

PRESIDENTIAL COMMISSION ON DRUNK DRIVING

HIGHLIGHTS OF INTERIM REPORT

This interim report reflects the recommendations resulting from eight (8) public hearings and extensive deliberations of the Commission. Highlights of the interim report include:

The establishment of 21 as the minimum legal drinking age for all alcoholic beverages.

The need for a nationwide public information and education program.

The enforcement of mandatory sanctions for first offenders of either 48 hours in jail or 90 days license suspension plus 100 hours of community service.

The elimination of plea-bargaining in DUI cases.

Prompt license suspension and the imposition of a 30-day jail sentence for anyone who drives on a suspended or revoked license.

The creation of State and county task forces where they do not exist.

Commendation for and expansion of citizen action groups at the grass roots level.

Annual training for police, prosecutors and judges.

Private sector involvement, particularly on the part of the motor vehicle, insurance and alcoholic beverage industries.

Self-funding mechanisms (abusers fees) at the State and local level.

Encouraging the use of safety belts and child restraints and compliance with the 55 mph speed limit.

Preliminary breath testing by police officers at the roadside.

Citizen reporting of drivers under the influence to police.

Enactment of legislation which provides that a person with an alcohol concentration of 0.08 is presumed to be driving under the influence.

Enactment of legislation making it illegal per se for a person with an alcohol concentration of 0.10 or higher to drive or be in actual physical control of a motor vehicle.

Education and rehabilitation services for convicted offenders based upon their needs.

Victim impact statements and victim assistance programs.

55 MPH INFORMATION SHEET

The following statement sets forth our existing position regarding the 55 mile per hour speed limit:

"The National Safety Council strongly supports the national 55 mile per hour speed limit. Our only interest in the issue of lowered speeds is one dictated by our purpose and charter: we want to reduce accidents and to save lives."

The reasons that we adhere to this policy are enumerated in the information that follows.

Compliance with the national 55 mph speed limit has slackened somewhat since the law was adopted in 1974, but according to the Highway Users Federation the annual percent of drivers exceeding 55 mph remains far below pre-1974 levels, as indicated here:

	Average speed	Percent exceeding 55 mph
1970	59.2	66
1972	60.3	68
1974	55.3	50
1976	55.6	54
1978	56.3	56
1980	55.9	[1] 52

[1] First half of year.

DEATHS FROM MOTOR VEHICLE ACCIDENTS

1. The Council estimates that approximately 40,000 lives have been saved since the limit was enacted in 1973 at the time of the first oil embargo.
2. If all states raised the limit to 65 or 70 mph, there would be a 10 to 15 percent increase in motor-vehicle fatalities annually.
3. If one state increased the limit to 65 or 70, there would be an increase in deaths on limited access highways (interstates) of 20 to 30 percent and an increase of 25 to 35 percent in deaths in motor vehicle accidents on state and county highways.
4. 700 to 1,000 additional deaths would result each year from motor vehicle accidents if the limit were raised to 65 or 70 mph on the interstate highways.
5. The mileage death rate on the nation's highways for 1973 (before the limit) was 4.24 per 100-million miles traveled, as compared to the 1980 mileage death rate of 3.48 per 100-million miles traveled.
6. In a collision, the chances that a motor vehicle occupant will be fatally injured doubles with each 10 miles of speed over 55 mph that the vehicle is traveling.
7. Although the number of miles driven has increased since 1973, the rate of deaths per mile driven actually has decreased by 18 percent.

ADDITIONAL DATA ON INTERSTATE ACCIDENTS

1. In 1973, before the national 55 mph speed limit, the mileage death rate on the interstate highway system was 2.4 per 100-million miles driven.
2. After the 55 mph speed law was effected on January 1, 1974, the death toll on the interstate highway system dropped to 2.0 per 100-million miles driven. This represented a 17 percent reduction in fatalities while miles driven increased only ½ of one percent.
3. By 1979, the mileage death rate had dropped to 1.6 per 100-million miles driven despite a substantial increase in miles driven.
4. The death rate for 1980 on the interstate system was 1.5 per 100-million miles driven.

5. Interstate highways may have been designed for speeds higher than 55 mph, but drivers and smaller cars were not. Smaller, lighter cars give motorists less protection in crashes.

INJURIES FROM MOTOR VEHICLE ACCIDENTS

Paralyzing spinal cord injuries are down 60 percent as a result of the reduced speed limit, according to the American Medical Association. Thus motor vehicle crashes are no longer the number one cause of spinal injuries in the country.

YOUTHFUL DRIVERS ON THE ROAD

One of five drivers on the road in 1979 was a new driver who had not been licensed in 1973 and had always driven under posted 55 mph speed limit. Since 1973, states have licensed more than 25 million new drivers, many of them in younger age groups. Drivers under the age of 25 years are involved in about 37 percent of all fatal motor vehicle accidents. These drivers are not experienced in driving a vehicle at higher speeds.

TIME SAVINGS

1. The time gain is minimal.

MILES TRAVELED (AT CONSTANT SPEEDS)

	10	20	35	50	100
Speed:					
65 mph	9 min	18 min	32 min	46 min	1 hr 32 min.
60 mph	10 min	20 min	35 min	50 min	1 hr 40 min.
55 mph	11 min	22 min	38 min	55 min	1 hr 49 min.

(Sources: Federal Energy Administration, Federal Highway Administration and U.S. Department of Transportation.)

ENERGY SAVINGS

1. Since 1973, at least 26 billion gallons of fuel have been saved because of increased fuel efficiency. Part of the savings is due to lower average speeds and part is due to increased engine efficiency, aerodynamic drag reduction and other design features. A potential fuel savings of 1.5 billion gallons per year is due to 55 mph, about 20 percent of the total fuel savings in 1979.
2. As vehicle speed increases, so does wind resistance. This means that a car uses more gasoline per mile to drive speeds above 55 mph than it does to drive 55 mph. Motorists can get up to 40 percent better mileage by driving 55 mph rather than 70 mph.
3. If the gasoline consumption rate in 1973 had continued, the nation would have used 5.4 percent more gasoline in 1979 than was actually consumed.

SMALL CARS

1. By 1986, the automobile manufacturers estimate that at least 50 percent of all cars purchased will be what we consider small cars. The smaller, lighter cars give motorists less protection in crashes.
2. Reduced speeds provide drivers better control of their vehicle and more time to avert hazards thereby reducing the possibility of accidents.

OTHER FACTS

The Minnesota Safety Council had two experimental drivers travel over the same 1,000 mile route in similar vehicles. The fast driver passed 2,000 cars, braked 1,339 times and covered the distance in 20 hours, 12 minutes. The slow driver flowed with traffic, passed only 13 cars and braked 652 times. It took him 20 hours, 43 minutes; 31 minutes longer than the fast driver. The faster car used 10 gallons more gas, and the driver's pulse rate rose because of the tension and risks he had taken.

Average life expectancy increased by 1.8 years from 1972 to 1976. The 55 mph gets some of the credit for the increase. One insurance company actuarial study (New England Mutual Life) says the sudden advance in life expectancy resulted from medical progress and better self care, "but mostly to the 55 mph speed limit on highways."

A recent Gallup poll reports that 75 percent of Americans want to keep the 55 mph speed limit.

CONCLUSION

The 55 mph speed limit is still this nation's best single device for saving lives and preventing injuries from motor vehicle accidents.

National Safety Council,
February 22, 1982.

The Chairman. We will conclude today with testimony from Kathy Wilson, the National Chair of the National Women's Political Caucus.

Good morning.

STATEMENT OF KATHY WILSON, NATIONAL CHAIR, NATIONAL WOMEN'S POLITICAL CAUCUS, WASHINGTON, D.C.

Ms. Wilson. Good morning, Mr. Chairman.

Mr. Chairman and members of the Senate Commerce Committee, I am Kathy Wilson, chair of the National Women's Political Caucus.

Thank you very much for providing us the opportunity to testify before you in support of the confirmation of Elizabeth Hanford Dole, nominee for Secretary of Transportation.

Mrs. Dole is a professional of the highest order. Her credentials both academic and professional are strong and sound. She graduated Phi Beta Kappa from Duke University and went on to earn a law degree from Harvard. She was appointed by President Nixon as Deputy Director of the Presidential Commission on Consumer Affairs. In 1973 she was appointed as a Commissioner on the Federal Trade Commission, an appointment strongly supported by the Caucus.

As Commissioner, Mrs. Dole acquired a reputation for working well with Congress, an invaluable skill which many have dedicated years to mastering. Coupled with her enthusiasm and hard work, Mrs. Dole's positive relationship with Congress contributed greatly to the accomplishments of the FTC.

Mrs. Dole's superior administrative abilities will make her a well respected Department Head. Her oft praised administrative skills are essential to the efficient management of the Department of Transportation. To be effective in a Department as large and complex as Transportation one must possess the organization skills of the caliber of Mrs. Dole.

I have worked most closely with Mrs. Dole in her position as Assistant for Public Liaison to President Reagan. It is in this capacity that Mrs. Dole has best utilized her outstanding skills as an administrator and liaison officer.

Her enormous success as President Reagan's liaison further qualifies her for this demanding position. Mrs. Dole has taken on the concerns of women, minorities and labor groups as her own concerns. She has opened doors to those cut off sometimes by the administration. In an administration that has sometimes been reluctant to listen to citizen interest, Mrs. Dole has overcome this tendency and lent not only her ear but also her support. She has fought long and hard for equity for women in this country.

It is encouraging to see that administration is beginning to recognize the importance of having women in all areas of government, especially in the Cabinet. The effects of this appointment and the policy begun by it will have far-reaching implications. It is time for women to enter the male dominated Executive Branch. We applaud President Reagan's first appointment of a woman to the Cabinet. We are delighted that after 16 years the Department of Transportation will be headed by a woman.

We caution, however, against allowing this milestone appointment to mask the need for increasing representation of women at every level of government. While we are delighted at Mrs. Dole's appointment, we hope that it will be followed up with meaningful and substantive initiatives for women.

Mrs. Dole's enthusiasm and dedication, as well as her capability and diplomacy meld to make Elizabeth Hanford Dole an ideal choice for Secretary of Transportation. With Mrs. Dole at the helm, I am confident that the administration's door will be open a little bit wider to women.

Thank you.

The CHAIRMAN. I agree with you totally.

Nancy?

Senator KASSEBAUM. I certainly second and share those comments. I have no questions.

Thank you.

The CHAIRMAN. Paul?

Senator TRIBLE. No questions.

The CHAIRMAN. Kathy, thank you very, very much.

That will conclude our hearings.

[Whereupon, at 11:05 a.m., the committee adjourned, subject to the call of the Chair.]

ADDITIONAL ARTICLES, LETTERS, AND STATEMENTS

STATEMENT OF HON. HOWARD H. BAKER, JR., U.S. SENATOR FROM TENNESSEE

I am pleased to have the opportunity to welcome Elizabeth H. Dole as the President's nominee to serve as Secretary of the Department of Transportation. I applaud her nomination, especially since she will become the first women to serve on President Reagan's Cabinet.

Having observed Elizabeth Dole's performance in a variety of roles here in Washington, I know she will be a great addition to the Department of Transportation. She brings a wealth of professional experience and management expertise to the Department. I am confident that she will be a creative, effective administrator of an Agency with the variety of goals and objectives that the Department of Transportation has.

As we became acutely aware before Christmas, there are a number of critical transportation issues which need attention. Having passed the highway bill in the last days of the 97th Congress, we will now look to able leadership of the Department of Transportation to implement the measure we passed.

I heartily endorse Elizabeth H. Dole's nomination as Secretary of Transportation and take great pleasure in supporting her confirmation.

STATEMENT OF HON. BARRY GOLDWATER, U.S. SENATOR FROM ARIZONA

Mr. Chairman, the nomination of Elizabeth Hanford Dole to be Secretary of Transportation must rank among the best that have ever been made. I say this not because her husband is a respected colleague of ours. But, simply put, she has all of the necessary training and experience to be a truly outstanding Secretary. On top of that, she has the personality and charm that are prerequisites for being effective in this town. Indeed, ever since arriving in Washington, Liddy Dole has proven that she can take on the most formidable tasks and accomplish her aims without losing her graciousness and charm. What is all the more remarkable is that she has gained her status in what, basically, is a "man's world" while still maintaining the qualities that make her a gracious lady. With the vast knowledge that she has accumulated in the various jobs that she has held, Elizabeth Dole has more qualifications for this position than most of the nominees we are asked to confirm. If the people of this country are lucky enough to have President Reagan nominate a person of her outstanding capabilities then, we, in the Senate should confirm her as rapidly as possible and wish her well in managing the Department of Transportation. In closing, I would like to congratulate her husband. For, if nothing else, his luck in persuading Elizabeth to marry him will put him in the category of one of the brighter people in this town.

THE NATIONAL COALITION OF HISPANIC MENTAL HEALTH AND
HUMAN SERVICES ORGANIZATIONS,
Washington, D.C., January 7, 1983.

Senator BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PACKWOOD: It is with great enthusiasm that I offer our support for the confirmation of Elizabeth Hanford Dole as Secretary, Department of Transportation.

Through her many years of public service in Washington, Mrs. Dole has gained an unsurpassed knowledge of the federal government and has acquired the requisite administrative skills so vital for any cabinet official. I know from numerous personal experiences that Mrs. Dole is extremely sensitive to the diverse needs of the states and localities and that she will discharge her duties with the keen sense of fairness and professionalism that is demanded for leaders that our President needs.

Mrs. Dole has already demonstrated her leadership abilities, and with this appointment, she will be of even greater service to our country.

I know many other Hispanics will join me in commending Mrs. Dole. We look forward to having her wise and insightful voice in joining the Cabinet, and we trust that her confirmation will proceed without delay.

With my best wishes,

Sincerely,

RODOLFO BALLI SANCHEZ.

NATIONAL SMALL BUSINESS ASSOCIATION,
Washington, D.C., January 13, 1983.

Hon. ROBERT PACKWOOD,
Chairman, Commerce, Science, and Transportation Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing this letter to urge that you and your committee favorably support the nomination of Honorable Elizabeth Dole as Secretary of Transportation.

We have grown to know and appreciate Mrs. Dole's talents over the past two years during which time she served as Assistant to the President for Public Liaison. Speaking for the small business community, I know that Elizabeth has brought a strong awarenes of small business to the Administration that was not present at the outset. Her insight and support have gone a long way towards helping raise sensitivities of top Administration officials to the specific needs of small business.

While we hate to see her leave her vital liaison role at the White House, we feel that, as Secretary of Transportation, she will bring knowledge, capability, and understanding to the position. This can not help but have a strong benefit to the department and the country as a whole.

Sincerely,

HERBERT LIEBENSON, *President.*

NATIONAL TIRE DEALERS & RETREADERS ASSOCIATION, INC.,
Washington, D.C., January 20, 1983.

Hon. BOB PACKWOOD,
Chairman, Senate Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, D.C.

DEAR SENATOR PACKWOOD: As Chairman of the Small Business Legislative Council (a coalition of 75 associations representing 4.5 million small businessmen) and as Executive Vice President of the National Tire Dealers and Retreaders Association, I have had substantial opportunity to observe the performance of Mrs. Elizabeth Dole in her capacity as Assistant to the President for Public Liaison. It is our judgment that Mrs. Dole has exhibited a very high quality of leadership and a strong commitment in fulfilling the President's policy of full communication with organizations such as I represent.

I believe that Mrs. Dole possesses the personal qualities and strengths to become an effective Secretary of Transportation.

We would like to add our voice of endorsement for the approval of this nomination by the Senate Commerce, Science and Transportation Committee and subsequent confirmation by the full Senate.

Sincerely,

PHILIP P. FRIEDLANDER, Jr.,
Executive Vice President.

AMERICAN SOCIETY OF TRAVEL AGENTS, INC.,
Washington, D.C., January 21, 1983.

Hon. BOB PACKWOOD,
U.S. Senate, Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: It is my understanding that Full Committee hearings are scheduled for January 26 on the nomination of Elizabeth Hanford Dole to become Secretary of Transportation.

For the record, I would like to submit the full endorsement of her confirmation on behalf of the 10,000 travel agents who are members of the American Society of

Travel Agents, Inc. (ASTA). Indisputably, Mrs. Dole has gained the respect of millions of Americans as a dedicated public servant and will prove to be an outstanding asset to President Reagan's Cabinet capable of assuming the responsibilities involved with the challenging position.

Senator Packwood, it is without hesitation that ASTA seeks the Full Committee's support for Elizabeth Dole's confirmation.

Sincerely,

William H. Hunt, CTC.

National Association of Railroad Passengers,
Washington, D.C., January 24, 1983.

Hon. Bob Packwood,
Chairman, Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: We support President Reagan's nomination of Elizabeth Hanford Dole to be secretary of transportation, taking particular note of Michael Pertschuk's reported comment that she was "a solid consumer advocate" (Wall Street Journal, Jan. 7).

We don't expect her to become the first secretary to agree with us regarding overall transportation policy, but all indications are that Mrs. Dole typifies the high-caliber profile any president would be proud to have in the cabinet.

We expect to have the same respect for her that we do for Secretary Lewis, notwithstanding our continuing frustration over the inadequate development of public transport and the overdevelopment of highway and air systems.

Please include this letter in the record of your confirmation hearing, and accept also our thanks for *your* many efforts in support of rail passenger service and public transport generally.

Best wishes for a successful year!

Sincerely,

Ross Capon, *Executive Director.*

Air Line Pilots Association,
Washington, D.C., January 25, 1983.

Senator Bob Packwood,
Chairman, Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: On behalf of the Air Line Pilots Association, I want to convey to you and your Committee and the United States Senate our wholehearted and enthusiastic endorsement of the nomination of Elizabeth Dole to be Secretary of Transportation.

During the next several years, the Department of Transportation will face some unique and difficult problems as the major transportation industries transition from a regulated to an unregulated economic environment, and as the Government undertakes the enormous task of repairing and rebuilding the deteriorating transportation infrastructure of our Nation. Based on her distinguished record of public service, we are convinced that Mrs. Dole brings to the office of the Secretary the experience, qualifications and character to deal effectively with these problems and that she will execute the duties and responsibilities of that high office faithfully and fairly.

We also believe that she has the intellectual ability, political acumen and communication skills that will make her a valuable asset to the President as an advisor and as a member of his Cabinet.

Mr. Chairman, in our judgment, President Reagan has made an excellent choice in his selection of Elizabeth Dole to be Secretary of Transportation, and we respectfully urge your great Committee and the Senate to move expeditiously to confirm her nomination.

Sincerely,

Henry A. Duffy, *President.*

National Association of Minority Contractors,
Washington, D.C., January 25, 1983.

Subject: Confirmation of Secretary of Transportation Designate, Mrs. Elizabeth H. Dole.

Hon. **Bob Packwood,**
Chairman, Senate Commerce, Science, and Transportation Committee,
U.S. Senate, Washington, D.C.

Dear Senator Packwood: The Board of Directors, membership, constituents, and national staff of the National Association of Minority Contractors (NAMC) would like to take this opportunity to express to you and your colleagues our support for the confirmation of Mrs. Elizabeth H. Dole as Secretary of Transportation.

Our Association, in the past, has had the benefit of Mrs. Dole's assistance and cooperation in areas affecting small and minority business enterprises, in her position as Assistant to the President for Public Liaison. We would like to continue our positive working relationship with Mrs. Dole in her newly designated position as Secretary of Transportation. Therefore, we urge the Senate to confirm Mrs. Dole for the position for which she has been nominated by the President.

If our organization can be of any assistance to you, please do not hesitate to contact us at (202) 347-8259.

Sincerely,

Dewey Thomas, Jr., *Executive Director.*

[Telegram]

F. M. Lopez & Son, Inc.,
Harrisburg, Pa., January 17, 1983.

Senator **Robert Packwood,**
Chairman, Transportation Committee,
Washington, D.C.

As a Pennsylvania minority business contractor engaged in highway construction, we strongly support the appointment of Mrs. Elizabeth Dole as the Secretary of Transportation. Her longstanding commitment to the improvement of our transportation systems as well as her continued advocacy of minority causes make her ideally suited for this position.

Frank M. Lopez, *President.*

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